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PROBLEMS OF WORKING WOMEN

HEARING

BEFORE THE

JOINT ECONOMIC COMMITTEE
CONGRESS OF THE UNITED STATES

NINETY-EIGHTH CONGRESS

SECOND SESSION

APRIL 3, 1984

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CONTENTS

WITNESSES AND STATEMENTS

TUESDAY, APRIL 3, 1984

	Page
Snowe, Hon. Olympia J., member of the Joint Economic Committee, presiding: Opening statement	1
Alexander, Lenora Cole, Director, Women's Bureau, U.S. Department of Labor, accompanied by Mrs. Clinton Wright, Deputy Director	23
Bell, Carolyn Shaw, Katharine Coman Professor of Economics, Wellesley College, Wellesley, MA	67
Blank, Helen, director, child care and family support, Children's Defense Fund, Washington, DC	97
Shed, Sarah K., director, division of welfare employment, Maine Department of Human Services	126
Madison, Avril J., executive director, Wider Opportunities for Women, Inc., Washington, DC, accompanied by Cindy Marano, WOW's National Women's Work Force Network codirector	142

SUBMISSIONS FOR THE RECORD

TUESDAY, APRIL 3, 1984

Alexander, Lenora Cole, et al.:	
Prepared statement	31
Response to additional written questions posed by Representative Snowe	65
Bell, Carolyn Shaw: Prepared statement	73
Blank, Helen: Prepared statement	102
Madison, Avril J., et al.: Prepared statement, together with attachments	148
Riegle, Hon. Donald W., Jr., a U.S. Senator from the State of Michigan: Statement, together with attached material	3
Shed, Sarah K.: Prepared statement	131

PROBLEMS OF WORKING WOMEN

TUESDAY, APRIL 3, 1984

Congress of the United States,
Joint Economic Committee,
Washington, DC.

The committee met, pursuant to notice, at 9:35 a.m., in room 2000, Rayburn House Office Building, Hon. Olympia J. Snowe (member of the committee) presiding.

Present: Representative Snowe.

Also present: Robert Premus, Alexis Stungevicius, and Deborah Clay-Mendez, professional staff members; and Ann Carper and Lesley Primmer, legislative assistants to Representative Snowe.

OPENING STATEMENT OF REPRESENTATIVE SNOWE, PRESIDING

Representative Snowe. Good morning. The hearing will come to order.

I want to welcome you to the second of a series of Joint Economic Committee hearings on women in the work force. Our first hearing last November focused on the Census Bureau's special report on "American Women: Three Decades of Change," which documents a profile of American women and families in a state of transition.

As the report noted and as you will hear from the witnesses this morning, the most dramatic change in the American labor force over the past three decades has been an enormous increase in women's labor force participation and, more specifically, by women with young children.

Clearly, women will continue to play a significant part in the work force. The dual role women play as wage earners and as mothers will serve as a focus for today's hearing.

Whether women have children or expect to in the future, the availability of reliable child care is an important component of their ability to enter and remain in the work force, and to take advantage of education and training opportunities.

Another focus of our hearing is: What is being done and what needs to be done by the public and private sectors to facilitate the entry of women into a broad range of occupations? Several of our witnesses will detail their efforts to provide counseling, education and training so that women can move from low-skilled, low-wage sectors to higher paid nontraditional areas.

Welfare employment programs are an important means of enabling women to become self-supporting and two of our witnesses today will address this issue.

Our third hearing will focus on employment issues that, according to the Census Bureau report, have unfortunately changed little for women over the past three decades. Next week we will examine the problem of sex-based wage discrimination, particularly pay equity for jobs that while not identical require comparable skill, effort, and responsibility.

Our final hearing in May will move on to the employment and retirement income security problems unique to older women. It is worth noting that the employment and retirement problems women encounter in their later years are often a direct result of a lifetime of job segregation, wage discrimination and the difficulties of balancing work and family responsibilities.

Timely action on all the problems identified at this hearing is needed to stem the growing phenomenon of women and children living in poverty. This morning our distinguished speakers will address the problems most relevant to working women and working mothers.

Our first witness is Ms. Lenora Cole Alexander, the Director of the Women's Bureau of the Department of Labor. In its 64 years of existence the Women's Bureau has been an important advocate for working women through its involvement with employment policy, model training efforts and programs targeted to women with particular employment needs.

I look forward to hearing about the work the Women's Bureau is currently undertaking to lessen the hardships women face in the labor market.

Our other witnesses include Ms. Avril Madison, the director of Wider Opportunities for Women; Ms. Helen Blank, the director of Child Care and Family Support Services of the Children's Defense Fund; Ms. Carolyn Shaw Bell, the past chairman of the Department of Economics at Wellesley College. I would also like to particularly welcome Ms. Sarah Shed, director of Maine's Division of Welfare Employment. Her office has been responsible for the welfare employment demonstration project which has made significant progress in preparing AFDC recipients for better jobs.

At this point I would like to submit a statement for the record by Senator Riegle.

[The statement of Senator Riegle, together with attached material, follows:]

STATEMENT OF HON. DONALD W. RIEGLE, JR.

Madam Chairwoman, I appreciate the opportunity to present testimony to the Joint Economic Committee regarding working women and child care, and I commend the Committee for its efforts to examine the issues confronting women in the workforce.

The dramatic increase in two working parent families and working single heads of households has left millions of children without adult company for significant periods of time each day, and has created a national need for child care for children of all ages. Undoubtedly, the overriding force behind this need is the increasing participation of women in the American workforce at greater numbers than at any time in our history. According to the U.S. Civil Rights Commission, "between 1950 and 1980 the labor force participation rate for wives with children under eighteen increased from 18 percent and 54 percent". Estimates also project that by the year 2000, 72 percent of women will be working. Naturally, as more and more women leave the traditional child rearing role in the family and enter the workforce, the demand for child care services will also increase.

In 1981, 15 million children between the ages of six and thirteen had mothers in the workforce. This represents nearly sixty-six percent of all mothers with children between these ages. Additionally, seventy-nine percent of working mothers with school-age children work full time.

Estimates also suggest that fifty percent of all children will spend some part of their childhood in a single parent household, and for these children the need for child care may be, in fact, the greatest. U.S. Bureau of Census statistics tell us that 12.6 million children or twenty percent of all children lived in single parent households in 1981, and ninety percent of these single parents were mothers.

Whether married of single, many women work out of economic necessity. Among married working women, twenty-seven percent have husbands who earn less than $10,000, fifty-one percent have husbands who earn less than $15,000, and seventy-three percent have husbands who earn less than $20,000. The average income for a single mother in 1981 was less than $9,500. On that income a single mother is hard pressed to provide adequate food and shelter for herself and children let alone the added expense of child care.

Recent studies have also recorded an increase in the number of women living in poverty. The U.S. Bureau of Census reports that two of every three poor adults in the

United States are women. In addition, nearly half of all poor persons in this country live in female-headed households. Twenty years ago only one fourth did. Clearly, any child care policy must work to assure that child care services are affordable and accessible to the vast majority of American women.

A survey conducted by the U.S. Bureau of Census in June of 1982 reported that twenty-six percent of mothers, who were not working, with children under five said they would seek employment if affordable child care were available. For many women, the lack of affordable child care is a major reason why they remain in poverty. In the report A Growing Crisis: Disadvantaged Women and Their Children, the U.S. Civil Rights Commission makes the same argument and adds that "educational and employment opportunities that women cannot pursue due to inadequate child care are opportunities effectively denied".

The Federal government maintains a hodge-podge of child care programs directed, by and large, at pre-school children but lacks a centralized child care policy. Unfortunately, like other domestic programs, these programs have seen their funding cut or eliminated since 1981. In December of 1983, the Children's Defense Fund (CDF) submitted testimony to the Senate Committee on Labor and Human Resources that effectively chronicles these cuts. The CDF testimony states:

> The United States has always had a patchwork child care system. Since 1981, it has been rapidly unraveling. In Fiscal Year 1982, the Title XX Social Services Block Grant, the largest source of direct support for child care, had its funding reduced from $3.1 billion to $2.4 billion, a 21 percent cut. A targeted $200 million for child care and a separate training program were also eliminated. The Child Care Food Program was cut by 30 percent. The amount of child care costs that families can be compensated for under Aid to Families with Dependent Children (AFDC) program was limited. Finally, many child care programs lost critical staff when the Public Service Employment component of CETA was eliminated.

Yet, despite Federal assistance for pre-school child care, there remains a large group of children whose need for child care has long been recognized but never adequately addressed. This group consists of school-age children whose parents work.

Estimates show that as many as six to seven million school-age children--our so-called "latchkey" children--may return alone after school to an empty house or under the supervision of a slightly older brother or sister. In factories and offices throughout our Country, parents wait anxiously for their children to call and confirm their safe arrival at home. They hope that their children can take care of themselves for the two or three hours between the end of the school day and the time when they return home from work.

How well can young school-age children take care of themselves? The research suggests that children in self care run greater physical and psyhcological risks than children under the care of an adult. Accidents are the major cause of death among school-age children in this country. Fire officials in Detroit, Michigan, report that one in six fires is caused by a child at home alone.

In June of 1983, I introduced the School Facilities Child Care Act, S. 1531, to address the needs of children in self care. This legislation authorizes $15 million a year for three years for grants to public and non-profit organizations to provide before and after school child care. The use of existing public school facilities is a common sense and cost effective approach to school-age child care, and a report prepared for the Department of Health and Human Services by Applied Management Sciences, Inc. records that this is also the preference of many parents. The reports concludes:

> Parents who used this type of a program (school-based child care) tended to be very satisfied; as a group, more parents in both states felt their needs were extremely well met with this mode of care than any other. The most frequently mentioned benefits of these programs were parent involvement and educational activities for the children. School-based extended day programs offered parents and their school-age children supervised care arrangement free of many transportation difficulties.

In addition, S. 1531 provides for a sliding fee schedule to assist the participation of lower income children in these programs and establishes an informational clearinghouse on school-age child care programs and options. One change that I support to the bill is the expansion of the sites to include nonprofit community based organizations, which may have their own facilities, in the event a school is not available. Many traditional family and youth organizations such as the Y, Camp Fire, and Boy's Club are developing programs for children after school and have existing facilities which are suited to the needs of school-age children.

Many agree with the use of public schools to address the need for school-age child care. Since it was introduced, the School Facilities Child Care Act has received the support and endorsement of nearly thirty groups. Such organizations as the American Bar Association, the National Association of Elementary School Principals, the National Commission on Working Women, the National Education Association, Camp Fire, Inc., and the National Black Child Institute have lent their names in support of this legislation. In addition, nineteen of my Democratic and Republican colleagues in the Senate have cosponsored S. 1531, and the House companion bill, H.R. 4193, has seventy cosponsors.

The School Facilities Child Care Act does not represent a comprehensive child care policy or assure that all in need of shool-age child care will be served. It is my firm belief, however, that it is an important step in protecting our most valuable resource, our children, and assisting all parents with affordable and accessible child care services.

Madam Chairwoman, I ask that a copy of S. 1531, the School Facilities Child Care Act and a list of the endorsing groups be included as part of the hearing record directly following my remarks. Thank you.

ENDORSING GROUPS

S. 1531-SCHOOL FACILITIES CHILD CARE ACT

- American Association of School Administrators
- American Association of University Women
- American Bar Association
- American Red Cross
- Boys Club of America
- Camp Fire, Inc.
- Girl Scouts of the U.S.A.
- Girls Clubs of America, Inc.
- Michigan Association for the Education of Young Children
- Michigan Association of Children's Alliances
- Michigan NOW
- Michigan Office for Young Children
- Michigan Women's Commission
- National Association of Counties
- National Association of Elementary School Principals
- National Black Child Development Institute
- National Commission on Working Women
- National Education Association
- National Network of Runaway and Youth Services
- National Organization for Women
- National Women's Political Causus
- National Youth Work Alliance
- Parents Without Partners
- Roosevelt Youth Centennial Project
- United Neighborhood Centers of America, Inc.
- YMCA of the U.S.A.
- YWCA of the U.S.A., National Board

II

98TH CONGRESS
1ST SESSION

S. 1531

To encourage the use of public school facilities before and after school hours for the care of school-age children and for other purposes.

IN THE SENATE OF THE UNITED STATES

JUNE 23 (legislative day, JUNE 20), 1983

Mr. **RIEGLE** (for himself, Mr. **PELL**, Mr. **KENNEDY**, Mr. **CRANSTON**, Mr. **DODD**, Mr. **METZENBAUM**, Mr. **RANDOLPH**, Mr. **MATSUNAGA**, Mr. **HART**, Mr. **LEVIN**, and Mr. **CHILES**) introduced the following bill; which was read twice and referred to the Committee on Labor and Human Resources

---

A BILL

To encourage the use of public school facilities before and after school hours for the care of school-age children and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "School Facilities Child Care Act".

STATEMENT OF FINDINGS AND PURPOSE

SEC. 2. The Congress finds that—

(1) the need for day care for the young school-age child before school, after school, during school holidays, and during school vacations when parents must work,

is a national problem, affecting more and more families every year;

(2) approximately six million children, between the ages of six and thirteen take care of themselves when they return home from school;

(3) unsupervised children run physical and psychological risks, including accidents and feelings of loneliness and fear;

(4) research studies have indicated increased likelihood of alcohol and drug abuse and delinquent behavior among unsupervised "latchkey" children;

(5) the number of existing child care programs designed to meet the needs of young schoolchildren for before and afterschool supervision are scarce, frequently filled to capacity, and often unable to subsidize care for children from families with limited financial resources;

(6) the Federal Government has a role in the promotion of quality and adequate child care services which contribute to the well-being of children and families; and

(7) the use of the public school as the site for before and afterschool care offers effective utilization of existing resources.

(b) Recognizing that the parent is the primary influence in the life of the child and that the parent must have ultimate decisionmaking authority on issues relating to the welfare and care of the child, it is the purpose of this Act—

(1) to encourage the development of partnerships among parents, public elementary and secondary school educators, and child care providers designed to serve the interests of school-age children in need of before and afterschool care;

(2) to promote the availability of child care services to school-age children in need of services;

(3) to provide financial assistance to public agencies and private nonprofit organizations utilizing public school facilities for before and afterschool child care services;

(4) to provide assistance to families whose financial resources are insufficient to pay the full cost of services for before and afterschool care; and

(5) to encourage State and local educational agencies and community organizations to assess the need for school-age child care services and to promote public awareness of the need to provide adult supervision of school-age children and the availability of programs to provide such services.

DEFINITIONS

SEC. 3. As used in this Act—

(1) the term "elementary school" has the same meaning given that term under section 198(a)(7) of the Elementary and Secondary Education Act of 1965;

(2) the term "equipment" has the same meaning given that term by section 198(a)(8) of the Elementary and Secondary Education Act of 1965;

(3) the term "institution of higher education" has the same meaning given that term under section 1201(a) of the Higher Education Act of 1965;

(4) the term "local educational agency" has the same meaning given that term under section 198(a)(10) of the Elementary and Secondary Education Act of 1965;

(5) the term "school-age children" means children aged five through thirteen;

(6) the term "school facilities" means classrooms and related facilities used for the provision of free public education;

(7) the term "secondary school" has the same meaning given that term under section 198(a)(7) of the Elementary and Secondary Education Act of 1965;

(8) the term "Secretary" means the Secretary of Health and Human Services;

(9) the term "State" means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, the Trust Territory of the Pacific Islands, and the Northern Mariana Islands; and

(10) the term "State educational agency" has the meaning given that term under section 198(a)(17) of the Elementary and Secondary Education Act of 1965.

PROGRAM AUTHORIZED

SEC. 4. (a) The Secretary of Health and Human Services is authorized, in accordance with the provisions of this Act, tc make grants to public agencies and private nonprofit organizations having the capacity to furnish school-age child care services to assist such agencies and organizations to establish and operate school-age child care services in public school facilities.

(b)(1) There are authorized to be appropriated $15,000,000 for the fiscal year 1984 and for each of the succeeding fiscal years ending prior to October 1, 1986. Amounts appropriated pursuant to the first sentence of this subsection shall remain available until expended.

(2) Not more than 5 per centum of the amount appropriated in each fiscal year under paragraph (1) shall be available for administrative expenses.

APPLICATIONS

Sec. 5. Each public agency or private nonprofit organization, having the capacity to furnish school-age child care services, which desires to receive a grant under this Act, shall submit an application to the Secretary at such time, in such form, and containing or accompanied by such information as the Secretary may reasonably require. Each such application shall—

(1) describe the need for and the type of child care services to be furnished in school facilities of an elementary or secondary school or a public institution of higher education in the community;

(2) provide assurances that the applicant has knowledge of and experience in the special nature of child care services for school-age children;

(3) provide assurances, in the case of an applicant that is not a State or local educational agency, that the applicant has or will enter into an agreement with the State or local educational agency or public institution of higher education containing provisions for—

(A) the use of school facilities for the provision of before or afterschool child care services (including such use during holidays and vacation periods),

(B) the restrictions, if any, on the use of such space, and

(C) the times when the space will be available for the use of the applicant;

(4) provide an estimate of the costs of the establishment and operation of the child care service program in the school facilities, including the proposal for a fee schedule for child care services;

(5) provide for the establishment of a sliding-fee schedule based upon the services provided and family income adjusted for family size for children receiving services assisted under this Act;

(6) provide assurances that the parents of school-age children will be involved in the development and implementation of the program for which assistance is sought under this Act;

(7) provide assurances that the applicant is able and willing to seek to enroll racially, ethnically, and economically diverse as well as handicapped school-age children in the child care service program for which assistance is sought under this Act;

(8) provide assurances that the child care program is in compliance with State and local licensing laws and regulations governing day care services for school-age children;

(9) provide assurances that the applicant will participate in data collection and evaluation activities relating to the program for which assistance is sought and will report such information as the Secretary may reasonably require to carry out section 6;

(10) describe the liability insurance coverage which the applicant intends to purchase; and

(11) provide such other assurances as the Secretary may reasonably require to carry out the provisions of this Act.

(b) In approving applications under subsection (a) of this section, the Secretary shall—

(1) assure that there is an equitable distribution of approved applications, both with respect to States and between inner city, urban, suburban, and rural areas;

(2) give priority to applications from applicants in communities in which there is the greatest need for child care services for school-age children and in which there is a shortage of economic resources for the provision of child care services for such children; and

(3) give consideration to applicants who can illustrate an identifiable base of support from the community in the form of financial or inkind contributions from other agencies, parents groups, business concerns, or civic organizations.

NEEDS ASSESSMENT; REPORT

SEC. 6. (a) The Secretary shall carry out a program of collecting data from recipients of assistance under this Act designed to provide a national-needs assessment for child care services of school-age children in the United States. The data shall include the number of children served, the number of children awaiting care, the income distribution of families, and the percentage of families requiring reduced or waived fees.

(b) Not later than one hundred and sixty days after the end of each fiscal year, the Secretary shall prepare and submit to the Committee on Education and Labor of the House of Representatives and the Committee on Labor and Human Resources of the Senate a full and complete report of its activities under this Act during the preceding fiscal year, together with a needs assessment of the availability of, and need for Federal support for, child care services for school-age children in each State in the United States.

NATIONAL CLEARINGHOUSE ON SCHOOL-AGE CHILD CARE

SEC. 7. From the amount reserved under section 4(b)(2), the Secretary shall establish and operate a clearinghouse on school-age child care programs. The clearinghouse shall collect and disseminate to the public information pertaining to programs and services available for the provision of school-age child care, together with ways of coordinating such programs and services with other programs and services, including education and recreation, provided to school-age children. The clearinghouse shall also provide technical assistance to public agencies, private nonprofit organizations, and groups of parents desiring to establish local school-age child care programs or services. The Secretary is authorized to enter into contracts with qualified public agencies and private organizations to operate the clearinghouse established or designated under this section. The Secretary is also authorized to accept donations from public and private organizations and individuals for the purpose of operating the clearinghouse.

PAYMENTS

SEC. 8. (a) From the amounts appropriated under section 4, the Secretary shall pay, in accordance with the provisions of this Act, the amount required to carry out the services described in each application approved under section 5.

(b) Payments under this Act shall be made as soon after the approval of the application as is practicable.

ADMINISTRATION

SEC. 9. (a) In order to carry out the provisions of this Act, the Secretary is authorized to—

(1) appoint and fix the compensation of such personnel as may be necessary;

(2) procure temporary and intermittent services of experts and consultants as are necessary to the extent

authorized by section 3109 of title 5, United States Code;

(3) prescribe such regulations as the Secretary deems necessary;

(4) receive money and other property donated and bequeathed, or devised, without condition or restriction other than it be used for the purposes of this Act; and to use, sell, and otherwise dispose of such property for the purpose of carrying out the functions of the Secretary under this Act;

(5) accept and utilize the services of voluntary and noncompensated personnel and reimburse them for travel expenses, including per diem, as authorized by section 5703 of title 5, United States Code; and

(6) enter into contracts, grants, other arrangements, or modifications that are necessary to carry out the provisions of this Act.

(b) The Secretary shall submit to the President and to the Congress an annual report of the program authorized by this Act.

WITHHOLDING

SEC. 10. Whenever the Secretary, after reasonable notice and opportunity for a hearing to any applicant, finds that there has been a failure to comply substantially with the provisions set forth in the application approved under section

5, the Secretary shall notify the applicant that further payments will not be made under this Act until he is satisfied that there is no longer any failure to comply. Until the Secretary is so satisfied, no further payments shall be made under this Act.

AUDIT

SEC. 11. The Comptroller General of the United States, and any of his duly authorized representatives, shall have access for the purpose of audit and examination to any books, documents, papers, and records of any applicant and any contractee receiving assistance under this Act that are pertinent to the sums received and disbursed under this Act.

○

Representative SNOWE. I welcome all of you here this morning. I would like to mention to those who will be testifying that we have two hours for this hearing. So I would ask each of you to summarize your prepared statements and we will include your prepared statements in full text in the record.

This morning, I would like to welcome as our first witness Ms. Alexander; and I thank you for being here this morning. I certainly appreciate it. We will begin with you.

Ms. ALEXANDER. Thank you, Representative Snowe.

Representative SNOWE. Thank you.

STATEMENT OF LENORA COLE ALEXANDER, DIRECTOR, WOMEN'S BUREAU, U.S. DEPARTMENT OF LABOR, ACCOMPANIED BY MRS. CLINTON WRIGHT, DEPUTY DIRECTOR

Ms. ALEXANDER. Thank you for inviting me to participate in this second in a series of four hearings planned by the Joint Economic Committee to examine the role of women in the labor market. My prepared statement is submitted for the record.

I would like to present a summary of that statement now and would then be happy to respond to any questions you may have. I have with me this morning the Deputy Director of the Women's Bureau, Mrs. Clinton Wright.

We at the Women's Bureau are pleased to respond in this way to our congressional mandate to investigate and report upon all matters pertaining to women and work, and to formulate policies to promote the welfare of wage earning women, improve their working conditions, and advance their opportunities for profitable employment.

I have come before you today prepared to respond to your concerns about working women and the problems faced, in particular, by working mothers and pregnant women. Through the statistical profile I intend to share, I hope to leave with you a vivid image of women workers, particularly working mothers.

In preparing for my appearance here today, I have focused on critical work force issues such as child care; the role of flextime and part-time work; and the need for appropriate training for women workers.

I shall attempt to illuminate some of these barriers which impede the entry of women into the labor force and diminish their chances to gain and hold good jobs. Finally, I shall discuss a few of the initiatives that we have overcome or have the potential of overcoming, some of the barriers to female equity in the workplace.

First, I shall discuss characteristics of women workers. In numbers alone women currently have a substantial impact on the U.S. economy. Their earning power and potential are especially meaningful in the context of the well-being of American families.

About 48.5 million women were in the labor force as of the beginning of this year. That number represented 44 percent of the country's civilian labor force. That number also worked out to be about 53 percent of all women 16 years of age and older, and more than half of these women—about 26 million—were married and living with husbands while another estimated 6 million working women maintained their own families.

Whatever their marital status, most employed women—7 out of 10—do work full time, which means they are on the job for 35 hours or more each week. Even with children of preschool age 6 out of 10 working mothers hold full-time jobs and where there is no husband in the household a total of 80 percent of the mothers worked fulltime.

One fact about these working women stands out. Large numbers of women are clustered in fewer occupations than men at rates of compensation on the lower end of the wage scale. We are pleased to note that some employed women are clearly moving into higher paying jobs.

In 1983, the proportion in executive and managerial occupations, at 8 percent, was 3 percentage points higher than in 1973. If we add to this the proportion of women in the professions, which also rose a little over the decade to 14 percent from 12½ percent, we find that just over one-fifth or 22 percent of all working women today were in managerial and professional jobs.

Nevertheless more than 42.5 percent of all employed women today are in generally lower paid sales and clerical administrative support occupations. Almost another 25 percent of women workers are employed in service occupations, mainly in food, health, and commercial cleaning and building services.

Many of these jobs pay the minimum wage, $3.35 per hour, which if earned in full-time year-round employment would pay less than $7,693, poverty threshold for a family of three.

The committee has expressed an intense interest in receiving information about working mothers with children. The most recent data from the Bureau of Labor Statistics indicate that more children then ever before have mothers who are in the labor force.

An estimated 55 percent of youngsters below age 18, or 31.9 million children, had mothers who were either employed or looking for work as of March 1983. A record 8.9 million children below age 6, or 47 percent of all preschoolers, had working mothers.

In 1980 these figures were 7.7 million, or 43 percent. The fact is that since 1980, preschoolers accounted for all of the net increase in the number of children with working mothers. Moreover, in 1983 11.9 million youngsters, or 1 out of every 5, lived with only one parent. Most lived with their mothers. However, small increases have been posted in the number of children living only with their father.

Proportionately more black, 60 percent, than white children, 55 percent, had working mothers in 1983. This difference has been narrowing in recent years as white mothers have joined the work force at a faster pace than black mothers.

Nevertheless at every age level black children in two-parent families were still more likely to have working mothers.

For some mothers, work is an absolute necessity. It provides economic benefits that may constitute a major share of their offsprings' support.

The median income in 1982 for all two-parent families with children was $29,500 when the mother worked and $23,500 when she did not. Median income in single parent families was considerably lower, but the working mother made a substantial difference, $11,400 versus $5,000 when the mother was not employed.

In March 1983, 29 percent of all children, 16.6 million in all, were living in families in which their father was absent, about 10.9 million; unemployed about 3.8 million; or out of the labor force another 1.9 million. About 5.5 million families with children were in poverty during 1982. Nearly 10 percent of all married couples with children were poor, but nearly half of all families maintained by women with children were poor.

For both family types the incidence of poverty increased as family size grew.

Now, there are disadvantages of women in the labor market. Let me cite some.

Not all women live in poverty, but certainly women constitute a disproportionate share of people in poverty in America. The data derived from the current population survey released by the Bureau of Census for March 1983 showed that nearly 3 out of 5 persons in poverty were female, or 56.9 percent of the total of nearly 35 million poor people in America.

Some women below the poverty level work outside the home, but most earn too little income to raise above the poverty threshold and remain above it. Women and their families are overwhelmingly the majority of the persons seeking public assistance.

Special problems unique to women impede their entry into the labor force and slow their movement into jobs that provide adequate income. The barriers are plentiful and they vary, of course, with the individual woman.

Women attempting to move from low-income women's jobs are frequently discouraged by custom and the low expectation of employers; discrimination; lack of preparation and skills required for emerging professionals, lack of information about jobs; fear of or lack of experience with machinery or tools; lack of child-care services; and traditional work schedules that do not easily accommodate the dual role women must typically assume, at work as a breadwinner and at home as a homemaker; and on occasions, sexual harassment in the workplace.

A major route up and out of the lowest paid work is through education. Median annual earnings of women increase substantially the higher the educational attainment and no matter what the martial circumstances of the worker. However, the young woman's limited expectation of what is possible can and often does lead her to abandon education or limit her future choices by the courses she selects.

Perhaps no barrier to women's employability is as pervasive and serious as child care. Lack of child-care services during employment or training is an issue that cuts across all income levels, geographic areas, race as well as ethnic groups. The lack of adequate child-care facilities constitutes a barrier for mothers who seek training as well as those who are employed.

Since it is my understanding that other witnesses today will bring this committee indepth information on child care, I will not attempt here to anticipate their data by reviewing comprehensively our viewpoints on the subject. I will say, however, that the Women's Bureau had been at the forefront of a very serious effort to persuade employers of their workers' needs for affordable, reliable quality child care.

We have perceived a growing awareness in the private sector of the needs also for before and after school child care, which is an area that awaits creative solutions at the community level. The Bureau has embarked upon several initiatives to encourage employer-sponsored child care across the Nation.

One of the most visible efforts brought us together with the Rockefeller Foundation in a program to provide job training and placement for disadvantaged single heads of households. Funds were provided to four community based organizations to demonstrate effective techniques for providing employer-sponsored child-care services to this client group.

In the first year of funding, fiscal year 1983, nearly 950 women and their 1,350 children were directly served. The organizations worked with employers to increase their awareness of the effects of parenting responsibly on the productivity of employers.

At the same time, the Bureau worked with employers across the Nation providing technical assistance and increasing their level of awareness about the options available in setting up such systems. The Women's Bureau also funded and oversaw the production of a videotape on employer-sponsored child care and the value of undertaking such initiatives.

It also shows clips of actual systems put in place through the Bureau's efforts. The tape will be available in the near future for wide distribution.

Experimentation with alternative work scheduling is beginning to demonstrate to employers another means of effectively removing obstacles to female employment. Many U.S. firms have adopted or they are experimenting with some type of alternative work pattern.

In 1980, General Mills, Inc., had Louis Harris & Associates, Inc. survey American families to determine needs and trends. The three policies that emerged as potentially the most helpful to working mothers and women planning to work were the right to resume work at the same pay and seniority level after a personal leave of absence; the choice of variable hours; and the freedom to set a work schedule as long as the employee worked 70 hours every 2 weeks.

In my prepared statement I have provided data on trends in both part time and flextime employment, and perceived advantages and drawbacks associated with these systems. Very briefly, according to a May 1980 supplement to the Census Bureau's current population survey, in May 1980 about 7.6 million workers, or 12 percent of all those on full time nonfarm wage and salary jobs, were on flextime or some other schedule that permitted them to vary their work day, the time that it began and ended.

Flexible schedules were more prevalent among men than women and about 13 percent of the 26.3 million parents in the survey could vary their beginning and ending work hours.

Let me now discuss the issue of pregnant workers and leave after childbirth. This is one more issue for women workers that I am sure will command more attention in the future. My staff advises me that for some years now no question is more frequently asked about rights than those about leave before and after childbirth.

The 1978 amendments to title VII of the Civil Rights Act of 1964 added significant protections to pregnant workers. For example, an employer can no longer fire a worker solely because she is pregnant if she is capable of doing the job. But as you know the law is based on nondiscrimination and names no special benefits associated with childbirth.

Where companies have strong health care packages and generous sick leave and disability provisions, a woman may be able to put together as much as 6 weeks time off by combining sick and vacation leave.

A recent survey has found that no more than 40 percent of employed women in the United States work for such companies. Many more work for smaller employers who have minimal fringe benefits, if any at all, and only five States have temporary disability insurance laws that provide short-term disability for almost all workers.

In those States some income, at least, is assured during a worker's disability from childbirth.

Our laws are very silent about any period of time a mother or, indeed, a father may wish to be at home to care for an infant child. Some employers do permit a period of 3 or even 6 months of childrearing, usually without pay but with protection of job and seniority.

Under general title VII principles if a company provides such childrearing leave to a mother it would have to make the same benefit available to a father as well. I am not here today to advocate any specific proposal, but so long as we continue to expect an increase in the numbers of working parents we need to search for better solutions for infant care in the family as well as improved child-care arrangements generally.

Representative Snowe, we have described some of the problems and challenges affecting women in the work force. It is only fair for us to assume that you would expect us to bring forward some ideas on how to attack the problems and to provide you with information on the Women's Bureau's efforts to assist in meeting some of these challenges to equity in the workplace for women.

The most important single factor affecting women's employment opportunities will be the state of the economy as a whole and it has been the philosophy of this administration to promote a healthy, growing economy. Support for this philosophy is very important in our efforts to increase employment opportunities for women.

Discrimination is a factor which affects the employment opportunities available to women. In those instances where discrimination denies equal employment opportunities to women or to any other group protected by law, strong enforcement of the laws against such discrimination is essential.

As you know, the administration's major employment and training program is provided for in JTPA, the Job Training Partnership Act. It was during the consideration of this legislation, replacing the Comprehensive Employment Training Act, that the Women's Bureau realized that women could be the greatest beneficiaries.

Recognizing the severe needs of female single heads of households and their children, teen mothers, older women needing to enter or reenter the labor market, the Bureau was really determined to take whatever steps were necessary to assure that those charged with implementing the act were knowledgeable about the concerns of the women and on the best ways to address those concerns.

Also, steps were proposed to ensure that women and women's organizations were familiar with the act's provisions and the services available to women. As soon as the legislation was enacted, the Women's Bureau issued a publication summarizing and analyzing the major provisions of the law, particularly as they related to employment and training for women.

The response to this publication has been overwhelming with over 23,000 copies distributed to date. Beyond that, the Bureau developed a model format for conducting workshops on the law holding the first two in New York City and San Juan, Puerto Rico during 1983 with about 350 people attending the two.

In Detroit, MI, on January 25, 1984, the Women's Bureau launched a major initiative to conduct 13 workshops across the country by March 30, 1984. Almost 1,600 people have attended and participated in the 13 workshops encompassing State and local officials including two Governors and several mayors, private industry council representatives, community college administrators, business leaders, women's organization leaders, and program operations—and we did hold one in your State.

The format and selection of presenters has focused on the responsibility for JTPA at different levels; the Federal level, the State level, and local levels. The Women's Bureau staff reviews the law from our perspective to show how it can be used as a tool to break the welfare cycle of dependency of women and their children.

As a result of the positive feedback and superb publicity which have accompanied the initiative, the Bureau has received five congressional requests to present additional workshops. In fact, Senator Daniel Quayle, coauthor of the bill, will participate in a workshop in Indianapolis on May 7, 1984, with the Secretary of Labor, Raymond Donovan, and myself.

The Women's Bureau is now preparing a series of technical assistance guides for publication and distribution to assist JTPA staff and other resource agency staff in the development of specific program plans to address special issues related to better employment opportunities for women.

Each pamphlet in the series delineates a problem and suggests specific approaches to solving it.

Now, the Women's Bureau does not have a major role in administering training programs. That major role is, indeed, carried out by Governors and private industry councils in service delivery areas in cooperation with local elected officials and, in the department, by the Employment and Training Administration.

Nevertheless, one of the Bureau's efforts to build the capacity of women for self-sufficiency has been its small but yet effective program of demonstration projects. Through very modestly funded activities, the Bureau has demonstrated creative approaches to the issues involved in assisting various disadvantaged target groups of women to find jobs.

It has worked to open broader career horizons and new nontraditional job options for low-income women, young and mature women, rural women, minority women, women offenders, and other disadvantaged groups.

Among the programs recently implemented by the Bureau's efforts are projects dealing with school to work transition for young women and training and placement for mature women, especially displaced homemakers. These demonstration projects, however, are not a service delivery system in themselves. They serve to test new concepts and develop models which local communities may later choose to use or adapt.

The project initiatives are described in my prepared statement. I will only identify them for you now and will be happy to describe them in detail if you wish.

They are: Tennessee Tombigbee Waterway Construction Project. The Women's Bureau concern for the low economic status of southern rural women prompted the Bureau to fund, through its Atlanta regional office, a cooperative project to increase the participation of women in construction work connected with the Tennessee Tombigbee Waterway.

Several training programs were initiated and efforts were put forth to recruit, train, and place women in nontraditional construction jobs along the Tennessee Tombigbee Waterway.

The second project, Women in Nontraditional Careers, commonly called WINC. WINC was designed to serve as a model for institutionalizing a school to work transition program throughout a school system. The WINC model incorporates classroom instruction, nontraditional job exploration in the community, and training of school staff to help them become aware of the need for nontraditional career planning for young women and how occupational choices may affect lifetime earning potentials.

The third project, Project IDEA, individual development and entrepreneurial activities. Some of the most impoverished women in the United States are living in rural Mississippi.

In an effort to address the needs of this target group the Women's Bureau funded Coahoma Junior College in Clarksdale, MS, to provide vocational technical training and job placement assistance to minority women who maintain families.

The fourth project, Women's Bureau National Job Fair Talent Bank Initiative. During fiscal year 1983 the Women's Bureau, through each of its regional offices, funded job fairs and the establishment of talent banks. The objective of this national initiative was to assist women, many of whom were low income, in securing private sector employment.

Our project relating to high technology training for single heads of households was operated by the State of Washington Community College, District 17, and it demonstrated the use of community colleges as a training resource and the effectiveness of short term training for high technology jobs.

Thirty women were placed in five occupational areas: word processing, bookkeeping, ward secretary, microprocessing, and electronics assembly. Three of the five occupations are considered high technology fields.

The participants were mainstreamed into existing community college programs following special curricula adopted from regular college course offerings.

Small Business Initiative of the Women's Bureau. The Women's Bureau has long been interested in entrepreneurial opportunities as a means for helping women move from the home to the work force. We have worked and continue to work with the Office of Women's Business Ownership in the Small Business Administration to encourage and facilitate business ownership as a viable career option for women.

Two specific projects which were funded by the Women's Bureau to assist women to become entrepreneuers are Start on Success or our SOS program. The Door Opener Organization in Mason City, IA trained low-income displaced homemakers and mature women in organization and management skills necessary for operating their own businesses.

Creation of new businesses and eventual employment opportunities for other women were related goals. This project reached almost 100 women.

DISPLACED HOMEMAKER'S PROGRAMS

Under contract with the Bureau, the Displaced Homemaker's Network, Inc., developed a how-to manual on funding alternatives for displaced homemaker programs that focused on entrepreneurial options such as home health care businesses.

Representative Snowe, we have initiated none of these small scale experiments as a panacea. Many break new ground in addressing very difficult problems, but we are still in the process of evaluating the diverse approaches to determine which have the best potential for replication.

We will be pleased to provide more information at a later date.

We also do not view these projects as a substitute for sustained efforts at building a strong economy, nor for freeing the workplace of discrimination. Nevertheless, we believe that such innovations and also such creative programs as those you will hear about from other spokespersons—we believe they are vitally needed.

They provide new information and insight, and may indeed provide a basis for broader scale future planning and policymaking.

This concludes my remarks.

[The prepared statement of Ms. Alexander follows:]

PREPARED STATEMENT OF LENORA COLE ALEXANDER

Mr. Chairman and Members of the Committee:

Thank you for inviting me to participate in this second in a series of four hearings planned by the Joint Economic Committee to examine "The Role of Women in the Labor Market." We at the Women's Bureau are pleased to respond in this way to our Congressional mandate to investigate and report upon all matters pertaining to women and work, and "to formulate policies to promote the welfare of wage-earning women, improve their working conditions, and advance their opportunities for profitable employment."

I have come before you today prepared to respond to your concerns about working women and about the problems faced, in particular, by working mothers and pregnant women. Through the statistical profile I intend to share, I hope to leave with you a vivid image of women workers, particularly working mothers.

In preparing for my appearance here, I have focused on critical workforce issues, such as child care, the role of flexi-time and part-time work, and the need for appropriate training for women workers. I shall attempt to illuminate on some of these barriers which impede the entry of women into the labor force and diminish their chances to gain and hold good jobs. Finally, I shall discuss a few of the initiatives that have overcome, or have the potential of overcoming some of the barriers to female equity in the workplace.

CHARACTERISTICS OF WOMEN WORKERS

In numbers alone, women currently have a substantial impact on the United States economy. Their earning power and potential are especially meaningful in the context of the well-being of American families.

The 48.5 million women workers counted as of the beginning of this year represented 44 percent of the country's total labor force. That number also worked out to be about 53 percent of all women 16 years of age and older. More than half of these women, about 26 million, were married and living with husbands, while another estimated 6 million working women maintained their own families.

Whatever their marital status, most employed women, 7 out of 10, do work full-time, which means they are on the job for 35 hours or more each week. Even with children of pre-school age, 6 out of 10 working mothers hold full-time jobs. And where there is no husband in the household, a total of 80 percent of the mothers worked full-time.

One fact about these working women stands out. Large numbers of women are confined to so-called women's work at rates of compensation on the lower end of the wage scale.

More than 42.5 percent of all employed women today are in the generally lower-paid sales and clerical-administrative support occupations. More than two out of five women who maintain families are employed in such occupations, and they are far more likely than male family heads to be employed in such relatively low-paying jobs.

Almost another 25 percent of women workers are employed in service occupations mainly in food, health, and commercial cleaning and building services. Many of these jobs pay the minimum wage ($3.35 per hour) which, if earned in full-time, year-round employment, would pay less than the $7,693 poverty threshold for a family of three.

The Committee has expressed an intense interest in receiving information about working mothers with children. The most recent data assembled by the Bureau of Labor Statistics indicate that more children than ever before have mothers who are in the labor force. An estimated 55 percent of youngsters below age 18, or 31.9 million children, had mothers who were either employed or looking for work as of March 1983.

By March 1983, a record 8.9 million children below age 6 - 47 percent of all preschoolers - had working mothers. In 1980, these figures were 7.7 million or 43 percent. The fact is that since 1980, preschoolers accounted for all of the net increase in the number of children with working mothers.

Other sociological changes of the past decade have also contributed to the growing number of children with working mothers. Two of these were the increase in the divorce rate and the growing occurrence of unwed mothers. In 1983. 11.9 million youngsters - 1 of every 5 - were with their mother or their father only, a 62 percent increase over the rate recorded in 1970, when 1 of every 9 youngsters lived with only one parent. Most lived with their mothers; however, small increases have been posted in the number of children living only with their father.

Proportionately more black (60 percent) than white children (55 percent) had working mothers in 1983. This difference has been narrowing in recent years as white mothers have joined the workforce at a faster pace than black mothers. Nevertheless, at every age level, black children in two-parent families were still more likely to have a working mother.

Black children were far more likely than white children to be living with one parent (50 percent of black children, compared with 15 percent of white children). In one-parent families, however, the situation was the reverse; a larger share of white than black children had a working mother. Hispanic children were less apt than either white or black children to have working mothers.

Regardless of race, ethnic origin, or family type, children with a working mother were in families with considerably higher incomes, on average, than were children whose mother was out of the labor force. The median income in 1982 for all two-parent families with children was $29,500 when the mother worked and $23,500 when she did not. Median income in single-parent families was considerably lower, but the working mother made a substantial difference - $11,400 versus $5,000 when the mother was out of the workforce.

Generally, white children live in families with higher incomes than black children. For example, family income for white, two-parent families with children averaged $30,000 when the mother was in the labor force and $24,100 when she was not. Comparable median incomes for black families were $24,900 when the mother worked and $14,500 when she did not.

For some mothers, work is an absolute necessity. It provides economic benefits that may constitute a major share of their offspring's support. In March.1983, 29 percent of all children - 16.6 million in all - were living in families in which their father was absent (10.9 million), unemployed (3.8 million), or out of the labor force (1.9 million). More than half of all black children and nearly one-fifth of all white children lived in one of these circumstances. In each of these cases, family income in 1982 was substantially greater when the mother was in the labor force.

About 5.5 million families with children were in poverty during 1982. Nearly 10 percent of married couples with children were poor, compared with half of all families maintained by women with children. For both family types, the incidence of poverty increased as family size grew.

DISADVANTAGES OF WOMEN IN THE LABOR MARKET

Not all women live in poverty, but certainly women are a majority of the persons in America who are poor. The data derived from the Current Population Survey released by the Bureau of the Census for March 1983 showed that nearly three out of five persons in poverty were female, or 56.9 percent of the total of nearly 35 million poor people in America.

Some poor women work outside the home, but most earn too little income to rise above the poverty threshold and remain above it. Women and their families are the overwhelming majority of persons seeking public assistance.

Special problems unique to women impede their entry into the labor force and slow their movement into jobs that provide adequate income. The barriers are plentiful and they vary, of course, with the individual woman.

Women attempting to move from low-income "women's jobs" are frequently discouraged by custom and the low expectations of employers; discrimination; lack of preparation and skills required for emerging professions; lack of information about jobs; fear of or lack of experience with machinery or tools; lack of child care services; and traditional work-schedules that do not easily accommodate the dual roles women must typically assume - at work as breadwinner and at home as homemaker; and, on occasions, sexual harassment in the workplace.

A major route upward and out of the lowest paid work is through education. Median annual earnings of women increase substantially the higher the educational attainment and no matter what the marital circumstances of the worker. However, with the exception of divorced women, in 1982, women who had not obtained a high school diploma averaged less than $10,000 for year-round, full-time work. According to the Current Population Survey, only 48 percent of women householders in poverty were high school graduates in March 1983. A much higher proportion of women who maintain families above the poverty line have completed high school (63 percent).

The impact of discrimination, harassment of all types, limited expectation of employers, and employer assumptions about a woman's "place" in the work world affect the woman's attitude toward preparation for work and her expectation of what is possible for her. The young woman's limited expectation of what is possible can and often does lead her to abandon education or limit her future choices by the courses she selects.

Limiting her education and her career options has grave consequences for the woman's earnings potential. Thus, the circle is complete. Another barrier is erected that prevents the woman from achieving equity in the workplace.

Perhaps no barrier to women's employability is as pervasive and serious as child care. Lack of child care services is an issue that cuts across income levels, geographic areas, and race and ethnic groups. The lack of adequate child care facilities constitutes a barrier for mothers who seek training, as well as for those who are employed.

The data cited earlier on the dramatic increase in the numbers of very young children with working parents underscores the serious need for solutions to the child care problem. Moreover, many working women are responsible for the care of elderly or disabled adults.

Since it is my understanding that other witnesses today will bring this Committee in-depth information on child care, I will not attempt here to anticipate their data by reviewing comprehensively our viewpoints on the subject. I will say, however, that the Women's Bureau has been at the forefront of very serious efforts to persuade employers of their workers' needs for affordable, reliable, quality child care. We have perceived a growing awareness in the private sector of the needs also for before- and after-school care, which is an area that awaits creative solutions at the community level.

The Bureau has embarked upon several initiatives to encourage employer-sponsored child care across the nation. One of the most visible efforts brought us together with the Rockefeller Foundation in a program to provide job training and placement for disadvantaged single heads of households. Funds were provided to four community-based organizations to demonstrate effective techniques for providing employer-sponsored child care services to this client group. In the first year of funding, fiscal year 1983, nearly 950 women and their 1,350 children were directly served. The organizations worked with employers to increase their awareness of the effects of parenting responsibilities on the productivity of employers. At the same time, the Bureau worked with employers across the nation providing technical assistance, and increasing their level of awareness about the options available in setting up such systems. The Women's Bureau funded and oversaw the production of a videotape on employer-sponsored child care. The videotape provides information on the different methods for providing child care and the value of undertaking such initiatives. It also shows clips of actual systems put in place through the Bureau's efforts. The tape will be available in the near future for wide distribution.

Experimentation with alternative work scheduling is beginning to demonstrate to employers another means of effectively removing obstacles to female employment. The need is fueled, again, by the multiple responsibilities shouldered by women - as homemakers, family supporters and sole breadwinners. It is, for example, not always convenient for a woman with school-age children to report for work at 8:00 a.m., when there are child care responsibilities required of her.

Many U.S. firms have adopted, or are experimenting with, some type of alternative work pattern. In 1980, General Mills, Incorporated, had Louis Harris and Associates, Inc. survey American families to determine needs and trends. The three policies that emerged as potentially the most helpful to working mothers and women planning to work were the right to resume work at the same pay and seniority after a personal leave of absence; a choice between a 7 to 3, 8 to 4, or 9 to 5 workday; and the freedom to set a work schedule as long as the employee worked 70 hours every two weeks; and 12 percent adopted job sharing.

The most frequently used mode of alternative time scheduling in the U.S. is part-time employment, defined as any employment of less than 35 hours per week. Fourteen percent of all employed workers and 22 percent of all women workers were working part-time voluntarily in 1983. Evidence suggests that the supply of part-time jobs is not keeping pace with the number of persons seeking such work. In January 1984, 22 percent of unemployed women were looking for part-time work.

The National Longitudinal Survey data for 1968-74 (on married women 18-49 years of age living with their husbands) provides interesting insights into the factors affecting a woman's choice of part-time employment. During the six years of the study, 60 percent of the mature women and 54 percent of the younger women who worked were employed in part-time jobs at some pont. However, only 10 percent of the young women and 21 percent of the mature women were employed exclusively in part-time employment. Child care responsibilities were important factors in the women's attachment to part-time work. More children in the family and the presence of a preschool-age child were among the major factors in causing a woman to prefer part-time to full-time work.

Along with some of the advantages cited for part-time employment, there are certain drawbacks. Some critics view part-time jobs as a means of perpetuating the traditional division of labor outside and within the home and argue that part-time jobs are bad for women because they usually have low wages and little chance for advancement. Women do appear to pay a price for their schedule preference: part-time employment is heavily concentrated in low-wage occupations (as a women's full-time work).

Another criticism of part-time employment has been that it offers no fringe benefits or fewer or lower levels of fringe benefits that full-time employment. However, a recent survey of 310 companies found that nearly 80 percent of the firms were offering benefits to part-timers, usually prorated according to the hours worked. In slightly less than half (48 percent) of the companies, permanent part-time employees were offered the same variety of benefits as were full-time employees.

According to a May 1980 supplement to the Census Bureau's Current Population Survey, in May 1980 about 7.6 million workers, or 12 percent of all those on full-time, nonfarm wage and salary jobs, were on flexitime or other schedules that permitted them to vary the time their workdays began and ended. Flexitime schedules were more prevalent among men than women, and about 13 percent of the 26.3 million parents in the survey could vary their beginning and ending hours.

I am submitting for the record a February 24, 1981, Department of Labor press release which provides additional information about the survey results.

A 1979 Conference Board survey of over 1,500 companies in five major industries - manufacturing, insurance, banking, gas and electric utilities, and retailing - revealed that 16 percent of the 570 responding companies reported some workers on a flexible work schedule.

Insurance companies were the heaviest users of flexitime and had the largest number of employees so scheduled; and flexitime programs were almost exclusively provided for white-collar personnel.

It has been suggested that not all kinds of work or positions lend themselves equally well to alternative work patterns. Some supervisory work, some assembly-line operations, work with machines that must be monitored round the clock, offices and services that require coverage at specified times, work of specialists not easily replaced by others - all these put constraints on the degree of flexibility that can be planned in a given situation.

Whatever the perceived advantages and disadvantages of new work schedules, in its 1981 report, New Work Schedules for a Changing Society, Work in America Institute voiced the opinion that unprecedented demographic and social trends - particularly the increase in working mothers - will encourage further experimentation with such schedules. By 1990, Work in America Institute expects more than 50 percent of the workforce to be on flexitime, compressed workweeks or workyears, permanent part-time work, job sharing, or work sharing.

In the earlier mentioned study for General Mills, 70 percent of the corporate human resource officers queried thought their organizations were likely, in the subsequent five years, to adopt job sharing; 66 percent, freedom to set a work schedule, as long as employees worked 70 hours every two weeks; 60 percent, a choice between a 7 to 3, 8 to 4, or 9 to 5 workday; 51 percent, a shorter workweek with less pay; 50 percent, a four-day workweek; and 37 percent, work schedules that allow one day to work at home.

In the March 1979 Urban Institute publication Women in the Labor Force in 1990, author Ralph E. Smith suggested that over the next decade, as the demand for alternative work schedules increases, the Federal government is likely to come under more pressure to take actions that will expand part-time and flexible-time job opportunities. "An important issue to be resolved," he said, "is how alternative work schedules can be made available to more women without perpetuating occupational segregation and wage differentials."

Pregnant Workers and Leave After Childbirth

There is one more issue for women workers that I am sure will command more attention in the future. My staff advises me that for some years now, no question is more frequently asked about rights than those about leave before and after childbirth. Can my boss fire me because I am pregnant? How long can I expect them to hold my job? Is there a specified number of weeks? Months? Do I get sick leave? Do I get unemployment? What about seniority?

The 1978 amendments to Title VII of the Civil Rights Act of 1964 added significant protections to pregnant workers. For example, an employer can no longer fire a worker solely because she is pregnant if she is capable of doing the job.

But as you know, the law is based on nondiscrimination and names no special benefits associated with childbirth.

Unemployment benefits are available only for a pregnant woman otherwise qualified; that is, if she is able and available to work. They are not designed to provide for temporary disability.

The basic answer to the other questions is that the pregnant woman, when she comes to the time she can no longer work before childbirth and for the period of physical disability immediately following the birth, gets the same benefits, no more and no less, than any other employee of that company who has a temporary disability; for example, for an appendectomy, a heart attack, or an auto injury.

Where companies have strong health care packages and generous sick leave and disability provisions, a woman may be able to put together as much as six weeks time off by combining sick and vacation leave. A recent survey has found that no more than 40 percent of employed women in the United States work for such companies. Many more work for smaller employers who have minimal fringe benefits, if any at all.

Only five States (California, Hawaii, New Jersey, New York and Rhode Island) plus Puerto Rico have temporary disability insurance (TDI) laws that provide short-term disability for almost all workers. In those States, some income, at least, is assured during a worker's disability from childbirth.

Our laws are silent about any period of time a mother - or indeed a father - may wish to be at home to care for an infant child. Some employers do permit a period of three or even six months for child rearing, usually without pay, but with protection of the job and seniority. Under general Title VII principles, if a company provides such child-rearing leave to a mother it would have to make the same benfit available to a father as well.

With the increase of working parents, more employers are beginning to look at leave policies, but many questions remain unanswered. In well-to-do families, a mother or father may choose to be a full-time parent for some time or to work part-time. Or they may be able to pay for excellent child care if both parents want to continue full-time work. The very low-income single parent can turn to AFDC for support during the child's youngest years. But the family of modest means or the single parent just above the poverty level has very limited choices.

Other countries have given much more thought to this policy area, and women who visit our Bureau from Asia, Africa, and Europe are amazed at this void in policy in a country looked to as a leader in many areas of employment policy. I am not here to advocate any specific proposal. But so long as we continue to expect an increase in the numbers of working parents, we need to search for better solutions for infant care in the family, as well as improved child-care arrangements, generally.

Mr. Chairman, we have described some of the problems and challenges affecting women in the workforce. It is only fair for us to assume that you would expect us to bring forward some ideas of how to attack the problems and to provide you with information on the Women's Bureau's efforts to assist in meeting some of these challenges to equity in the workplace for women. I wish now to fulfill your expectations in that regard.

The most important single factor affecting women's employment opportunities will be the state of the economy as a whole, and it has been the philosophy of this Administration to promote a healthy, growing economy. Support for this philosophy is important in our efforts to increase employment opportunities for women.

Discrimination is a factor which affects the employment opportunities available to women. In those instances where discrimination denies equal employment opportunity to women - or to any other group protected by the law - strong enforcement of the laws against such discrimination is essential.

I refer to the powerful weapons against discrimination already written into the statutes. The Equal Pay Act of 1963, which requires equal pay for substantially equal work, and whose enactment was the result of Women's Bureau initiative over a period of years; Title VII of the Civil Rights Act of 1964, as amended, which prohibits discrimination on the basis of race, religion, color, sex or national origin in hiring, job classification, promotion, compensation, fringe benefits, termination or other conditions of employment; Title IX of the Education Amendments of 1972 as amended, which prohibits sex discrimination in education programs receiving Federal financial assistance; the Small Business Act of 1973, which prohibits the Small Business Administration from practicing sex discrimination against any person or small business concern and the Equal Credit Opportunity Act of 1974 and E.O. 11246.

Recognizing that a growing, healthy economy and strong enforcement of anti-discrimination laws are essential, we come now to the importance of employment and training programs, especially for women on welfare, and long-term homemakers who seek paid employment.

As you know, the Administration's major employment and training program is provided for in JTPA, the Job Training Partnership Act. It was during the consideration of this legislation, replacing the Comprehensive Employment and Training Act, that the Women's Bureau realized that women could be the greatest benefactors. Recognizing the severe needs of female single heads of households and their children, teen mothers, and older women needing to enter or re-enter the labor market, the Bureau was determined to take whatever steps were necessary to assure that those charged with implementing the Act were knowledgeable about the concerns of women and on the best ways to address these concerns. Also, steps were proposed to ensure that women and women's organizations were familiar with the Act's provisions and the available services to women.

As soon as the legislation was enacted, the Women's Bureau issued a publication summarizing and analyzing the major provisions of the law particularly as they related to employment and training for women. The response to this publication has been overwhelming, with over 23,000 copies distributed to date.

Beyond that the Bureau developed a model format for conducting workshops on the law, holding the first two in New York City and San Juan, Puerto Rico during 1983, with about 350 people attending the two. In Detroit, Michigan on January 25, 1984, the Women's Bureau launched a major initiative to conduct thirteen workshops across the country by March 30,1984. Almost 1600 people have attended and participated in the 13 workshops encompassing: State and local officials, including two Governors and several Mayors; Private Industry Council representatives; community college administrators; business leaders; women's organization leaders; and program operators. The format and selection of presenters has focused on the responsibility for JTPA at different levels - the Federal level, State level, and local levels. The Women's Bureau staff reviews the law from our perspective to show how it can be used as a tool to break the welfare dependency cycle of women and their children.

As a result of the positive feedback and superb publicity which has accompanied the initiative, the Bureau has received five Congressional requests to present additional workshops.

In fact, Senator Daniel Quayle, co-author of JTPA, will participate in a workshop in Indianapolis on May 7, 1984 with the Secretary of Labor, Raymond Donovan, and myself.

The Women's Bureau is now preparing a series of technical assistance guides (TAG's) for publication and distribution to assist JTPA staff and other resource agency staff in the development of specific program plans to address special issues related to better employment opportunities for women.

Each pamphlet in the series delineates a problem and suggests specific approaches to solving it. For example the TAG on barriers gives more than a dozen methods local communities have used to secure transportation for trainees. It identifies health care needs and referral sources and describes how fitness programs can prepare women for physically demanding jobs.

The eight TAG's include:

- Women with Special needs
- Barriers to Women's Employment
- Recruitment, Intake, Assessment and Counseling
- Training
- Job Development and Placement
- Alternative Scheduling
- Programming for Women in the Private Sector
- Program Self Evaluation

The TAG's do not advocate separate programs for women, but rather adding services as necessary to ensure a woman's success in training and on the job. Service providers can adequately serve women through existing programs while still addressing their special needs.

The Women's Bureau does not have a major role in administering training programs. The major role is indeed carried by Governors and Private Industry Councils in local Service Delivery Areas in cooperation with local elected officials, and in the Department, by the Employment and Training Administration.

Nevertheless, one of the Bureau's efforts to build the capacity of women for self-sufficiency has been its small but effective program of demonstration projects. It is abundantly clear that women, even low-income women, are by no means a monolithic group. They find themselves in very different situations, often facing different, specialized problems.

Through very modestly funded activities, the Bureau has demonstrated creative approaches to the issues involved in assisting various disadvantaged target groups of women to find jobs. It has worked to open broader career horizons and new nontraditional job options for low-income women, young and mature women, rural women, minority women, women offenders and other disadvantage groups."

Among the programs recently implemented by the Women's Bureau are projects dealing with school-to-work transition for young women, and training and placement for mature women, especially displaced homemakers. These demonstration projects, however, are not a service delivery system in themselves. They serve to test new concepts and develop models which local communities may later choose to use or adapt.

We would now like to highlight a few of the Women's Bureau programs which are addressing the needs of poverty-stricken women.

Tennessee - Tombigbee Waterway Construction Project

The Women's Bureau concern for the low economic status of southern rural women prompted the Bureau to fund, through its Atlanta regional office, a cooperative project to increase the participation of women in construction work connected with the Tennessee-Tombigbee Waterway. A woman was hired to carry out special outreach to women and to coordinate with unions, contractors, State and local governments, and community based organizations to develop targeted recruitment, training and placement efforts.

As a direct result of this outreach, female employment participation did increase. At the peak of construction, the Federal goals for women in construction were met. Successful retention methods were adopted by directly working with the unions and the non-union contractors to increase the numbers and retention rates of women. Several training programs were initiated and efforts were put forth to recruit, train and place women in these nontraditional jobs along the Tennessee-Tombigbee Waterway. The construction of the Tenn-Tom Waterway afforded rural women, for the first time, an opportunity to enter the nontraditional construction workforce in a very positive manner.

Women in Nontraditional Careers - WINC

The WINC model was developed and institutionalized in the Portland, Oregon Public School System. The model incorporates classroom instruction, nontraditional job exploration in the community and training of school staff to help them become aware of the need for nontraditional career planning for young women and how occupational choices may affect lifetime earning potentials.

Perhaps the most distinctive feature of the WINC model is the curriculum, which provides a detailed course of classroom instruction on occupational and labor market information designed for high school juniors and seniors. An imaginative series of exercises, journal writing, and an activity guide which integrates humor, facts and instruction to help young women examine their own expectations and feelings about career planning.

The curriculum also utilizes a community-based learning strategy where a student spends a specified period of time actually working with a woman in a nontraditional field. This experience is further augmented by other community-based activities such as career days at local community colleges, job search and interviewing skills taught by private sector personnel offices, and nontraditional counseling services.

WINC was designed to serve as a model for institutionalizing a school-to-work transition program throughout a school system. In 1982, the Women's Bureau began an initiative to replicate the Portland project. Workshops have been held in cities across the country to acquaint school officials with the WINC concept and curriculum and to explain the process used in Portland for organizing, gaining support for and implementing a nontraditional careers program. The workshops also show how all or part of the WINC curriculum materials can be used, based on the current status of prevocational instruction in the school.

As a result of the workshops, a number of school systems are working with the WINC model. While the program was designed for young women, school systems have found it so good that they are adapting it for use with boys as well as girls.

During FY'84, the Women's Bureau will sponsor a national WINC conference to inform high-level policymakers about the WINC program and enlist their support in integrating the concept into school systems throughout the country.

Project Idea: Individual Development and Entrepreneurial Activities

Some of the most impoverished women in the United States are living in rural Mississippi. In an effort to address the needs of this target group, the Women's Bureau funded Coahoma Junior College, in Clarksdale, Mississippi, to provide vocational-technical training and job placement assistance to minority women who maintain families. The project has assisted about 50 Mississippi Delta women, who are 35 years of age or over, to enter occupations traditionally occupied by men.

The project is an example of a partnership effort between the Federal government and educational institutions to prepare economically disadvantaged persons to enter the job market. It is providing an effective program for serving the needs of rural women who are low income, who lack marketable employment skills, and who have a high rate of illiteracy and may be displaced farm workers. The women are gaining basic skills training in such areas as construction masonry, welding, carpentry, entrepreneurial skills, law enforcement, and paramedic technology.

Through non-federal funds and as a supportive service for the women, child care and bus transportation were provided during the day and evening enabling the women to attend training.

Among the 50 participants, one-third are continuing their training and schooling; approximately one-third were placed in summer jobs and one-third were placed in regular jobs.

WB National Job Fair/Talent Bank Initiative

During FY 1983 the Women's Bureau, through each of the regional offices, funded job fairs and the establishment of talent banks. The objective of this national initiative was to assist women, many of whom were low income, in securing private sector employment by (1) making them aware of the range of potential job opportunities available in the local labor market; and (2) providing a mechanism for them to identify and compete for specific job openings through a talent bank. Moreover, participants were assisted in preparing job resumes' and were counseled on how to respond in interview situations.

The success of this initiative was measured not only by the placement of nearly 200 women in jobs at the Job Fairs but also by the continuing positive response from the employers in the use of the Talent Bank which has resulted in about one-tenth of the 6,600 Job Fair participants getting permanent employment. The jobs have varied from traditional to nontraditional and have included such jobs as sales representatives, engineers, clerk-typists, repair technicians, and accountants.

High Technology Training for Single Heads of Households

The High Technology Training for Single Heads of Households Project operated by the State of Washington Community College District 17, demonstrated the use of community colleges as a training resource and the effectiveness of short-term training for high technology jobs. Thirty women were trained in five occupational areas - word processing, bookkeeping, ward secretary, microprocessing, and electronics assembly. Three of the five occupations are considered high technology fields. The participants were mainstreamed into existing community college programs, following special curricula adopted from regular college course offerings. The Community College did the recruitment, orientation, support skills training, counseling, and job development services.

Participants were single heads of households, with one to three dependents. The majority were receiving public assistance, unemployment benefits, or social security. All were low income. Each had either a high school diploma or a GED certificate. Over half were between 25 and 35 years of age.

After recruitment and intake, screening, and a comprehensive orientation program, the participants were advanced into regular community college programs, with faculty advisors providing academic guidance, and project staff conducting support group activities and offering ongoing counseling services. Three weeks of support skills workshops, consisting of life skills, self-esteem/assertiveness, and job seeking skills training were designed to enhance employability and retention in jobs.

The project effectively demonstrated the feasibility of short-term (6 months) community college training as a means of increasing the employability of low income, female heads of households. While participants in these condensed programs did not complete all of the requirements necessary for community college certificate programs, the training did increase employability. A few problems associated with heavy course loads were resolved through intervention by instructors and participant counseling. Overall, the mainstreaming approach worked very well and is replicable.

Small Business Initiative of the Women's Bureau

The Women's Bureau has long been interested in entrepreneurial opportunities as a means for helping women move from the home to the workforce. We have worked and will continue to work with the Office of Women Business Ownership in the Small Business Administration to encourage and facilitate business ownership as a viable career option for women.

Two specific projects which were funded by the Women's Bureau to assist women to become entrepreneurs are:

Start on Success (SOS) Program

The Door Opener Organization in Mason City, Iowa, trained low-income displaced homemakers and mature women in organization and management skills necessary for operating their own businesses. Creation of new businesses and eventual employment opportunities for other women were related goals. This project reached almost 100 women.

Displaced Homemakers Programs

Under contract with the Bureau, the Displaced Homemakers Network, In., developed a "how-to" manual on funding alternatives for displaced homemaker programs that focused on entrepreneurial options, such as home health care businesses. This basic "how-to" guide includes among other features: (1) the identification of the types of businesses likely to succeed in a given community; (2) the preparation of business plans; (3) the financing of new businesses with particular reference to resources available to non-profit groups; and (4) the development of cash-flow projects for new businesses which will employ displaced homemakers. The manual is only one of many kinds of technical assistance the network has provided to homemakers who need help in making the transition to paid employment. A new grant was awarded to the Displaced Homemakers Network, Inc. in February 1984.

Mr. Chairman, we have presented none of these small-scale experiments as a panacea. Many break new ground in addressing very difficult problems, but we are still in the process of evaluating the diverse approaches to determine which have the best potential for replication. We will be pleased to provide more information at a later date.

We also do not view these projects as a substitute for sustained efforts at building a strong economy, nor for freeing the workplace of discrimination. Nevertheless, we believe that such innovations, and also such creative programs as those you will hear about from other spokespersons, are vitally needed. They provide new information and insight and may indeed provide a basis for broader scale future planning and policy-making.

This concludes my remarks. I appreciate the opportunity to appear before this Committee and would be pleased to respond to any questions you may have.

Representative SNOWE. Thank you. Thank you very much, Ms. Alexander. I certainly appreciate your informative statement informing us as to what exactly the Women's Bureau is doing concerning women trying to enter the workforce.

There is no question—and I think that your statement illustrated the point—that child care arrangements is an issue that needs to be addressed continuously. There is no question that availability and affordability are two of the greatest issues concerning child care if we are going to allow women access into the work force.

Can you tell me from your experience as Director of the Women's Bureau and because of your demonstration projects and working with various employers around the country what has been your response from those employers? What are their reasons for deciding to or not to offer child care facilities, and what has worked best for them?

Ms. ALEXANDER. For the past 2 years we have been carrying out national and regional programs, and we are very proud to report that we have had some success. Through the work we have done with the Rockefeller Foundation we have created the model demonstration projects.

In our 10 regions, we have carried out projects to establish employer-sponsored child care in their regions. There appears to be growing corporate interest in providing child care services by employers experiencing the effects of a changing work force where employers are part of a two-wage earner family situation and this affects both the wife as well as the husband, when you have two employed people in the family working.

We have received some very positive responses and it appears from our experiences that the information and referral systems have been very, very well received. Some corporations have actually set up onsite centers; some are discussing cafeteria benefit plans; and we have been enheartened by the response that we have received, especially from banks, hospitals, and insurance companies around the country.

Representative **Snowe**. Can you give us an idea as to how many have responded in terms of setting up day care facilities? Do you have any idea?

Ms. **Alexander**. In each one of our 10 regions we have had one system, at least, provided. Now, when I say a "system," I am not saying really an onsite center because it could take the form of an information and referral system. It could take the form of an onsite center, cafeteria benefits, or various approaches.

We have worked out in California, in Pasadena. We set up a center at a hospital site. We have worked very actively with the First National Bank of Atlanta. They set up an onsite center there.

We have worked in helping to establish an information and referral system which was established by the General Accident Insurance Co. for its 1,500 employers; the Zayre Corp. of Nantick, MA; and we have also been working very closely with the White House Office of private sector initiatives in discussing with chief corporate executive officers the benefits to be derived from the sponsorship of some type of a child care system.

Representative **Snowe**. What seems to work best for most businesses, an onsite facility or any other kind of an arrangement?

Ms. **Alexander**. Yes. The onsite facilities are working very well. Some corporations are sitting back waiting to see what is going to happen as other corporations take the initiative, but we are beginning to see the effects of some onsite centers which have already been established by utilizing some of the tax benefits provided in the 1981 Economic Recovery Tax Act.

Very, very popular are the information and referral systems whereby a person can go to a central source and find out where child care services and facilities are provided and referrals are made into those systems.

Representative **Snowe**. Which child care arrangements do women rely on most often? Is it public sector, private sector, relatives? What is generally the case from your own experience and observations?

Ms. **Alexander**. We are seeing a combination of factors, Representative Snowe. No longer can the woman depend upon the relative or the mother to take care of the children because she is in the work force also.

Some of the community based centers are being very, very actively utilized. Child care centers established by the private sector, some not for profit as well as the profitmaking organizations, are appearing to catch a great deal of attention.

Child care services which are provided in the home are also very, very popular.

Representative **Snowe**. Do you think the Federal Government should get more involved in providing assistance for child care for women? For example, I see it as a twofold problem; not only availability, accessibility, but the ability to afford child care.

I noted in someone else's testimony here this morning that in talking about the average cost of child care it may be $3,000 and up. Obviously, as you mentioned in your own testimony, most women fall in the poverty category or just above it.

So they are in no way in a position to afford child care.

Ms. **Alexander**. We recognize in the Bureau that this is a very, very, very, important factor that women need in order to get them either into the work force or let them remain in the work force. We also recognize, too, that the need for child care is virtually limitless in our country and that the Federal budget is not.

That is one of the reasons why we have worked so very hard and devoted so much of our resources to working with the employers and private sector community groups to try to help to expand child care services and to educate our public as to the benefits that can be derived by making such services available to women who are in the work force; and by "benefits" I mean the woman is far more satisfied on the job, or the man, for that matter, who may have the responsibility of the care.

Productivity rates increase. We have seen data on that. We can keep people in the work force where they have opportunities for upward mobility rather than dropping in and out of the work force when they do not have to worry about the care of their children.

Representative **Snowe**. Do you notice, Ms. Alexander, a difference in response, depending on the size of the business, whether or not it is a small business? You also indicated in your testimony that many women work for small businesses.

Does it make a difference in this respect, whether it is a large corporation or small business, that it can have the ability to provide some form of child care arrangement?

Ms. **Alexander**. Yes. The larger the corporation, we feel, the more apt they are to be willing to provide this service; the more income, the more tax writeoffs, the more benefits that will accrue, and the more people they are servicing.

On the other hand, it has been encouraging to see that some small businesses have joined together in consortium operations to make these services available. So they are combining their small resources in order to provide this service; and that has been demonstrated to work quite well in some areas.

Representative **Snowe**. Do you think the Congress should address this issue more than we have in the past? As you know, we have passed an increase in tax credits and the administration did support additional increases in tax credits for dependent care.

But there is also another issue concerning refundability which reaches down into the lower income categories of women in this country, particularly those whose tax credit exceeds their tax liability.

Would you support such an effort?

Ms. **Alexander**. Yes. I am very heartened to see the work that has been done by the Congress and the attention that has been paid to the need of these women. We, in the Bureau, have been following this congressional activity, very closely and we are very pleased to work with Congress in trying to come up with some creative solutions, helping those women who have this need and who are in the work force and really need to remain there in order to become economically self-sufficient.

Representative **Snowe**. To what extent do you think that sex discrimination plays a role in the wage and earnings gap that has been so often cited between men and women?

Ms. ALEXANDER. I cannot sit here and tell you, Representative Snowe, that the work environment is free of any type of sex discrimination. Women are still encountering it in the work force to a degree.

There are other factors we need to look at, also the types of work that women perform in the work force. We are working, in the Bureau, to inform young women about the selection of careers that will lead them to greater mobility in the work force; will direct them into jobs that will permit them to earn more money than maybe their parents have earned; or will move them out of the low-income scales of the work force.

We are also conscious about the fact that many women are stuck in deadend low-paying jobs and we are trying to make some type of headway into that area also. We are also very much concerned about the fact that our women really do need to be educated.

We know that there seems to be some type of a relationship between the level of education, the type of work a woman is able to perform and her ultimate pay; and we are very heartened to see that many of our professional schools today have a majority woman population.

I think that over the years, as we begin to make these inroads into some of the support systems needed by women and encouraging them to follow into some of the nontraditional areas of work, to remain in and pursue higher education we may ultimately begin to see a narrowing of this gap.

Representative SNOWE. Does your Bureau get involved in any kind of educational program or pamphlets regarding sexual harassment in the workplace?

Ms. ALEXANDER. We have been following that very closely and we are in the process of putting together a pamphlet which we want to have prepared very soon and available to disseminate to our public.

Representative SNOWE. Did you find there is a lot of interest among women in terms of the response to your Bureau at all concerning that?

Ms. ALEXANDER. Yes, there is. We have many questions that come in, letters that come to us from outside interested people looking for help; sources that they can go to to receive assistance on harassment, how to counteract it; and how support systems can be established in order to overcome some of the sexual harassment, how to identify it and also how to conduct themselves when they encounter it.

Representative SNOWE. Another area that seems to be a major problem insofar as women entering the work force is, of course, transportation. A lot of women have been in the position of being unable to provide transportation to either the child care facility or to their job.

Do you have any ideas, or has the Bureau been working on that issue particularly?

Ms. ALEXANDER. Not in particular, but under the Job Training Partnership Act, transportation can be provided as one of the support systems; and as this act gets more and more—well, as people become more and more familiar with it, we will begin to identify what are some of the creative things that can be done under this act in order to make job training possible for women; and certainly we do recognize the fact that transportation is a very, very important component, and we would be very pleased to do some more work in that area.

Representative SNOWE. What is the Bureau's involvement with the Job Training Partnership Act? What precisely are your responsibilities?

Ms. ALEXANDER. Well, very early on, as I testified, we recognized the fact that there were two target groups singled out under that bill: AFDC recipients, the majority of which are women; and youth. We do not administer any programs, per se, under the act, but we have been busy informing our public, our women primarily, about the act, what it contains; informing the private industry councils about the contents of the act, encouraging them to make sure that women are properly served under the act; and working with our community-based organization, encouraging them to recommend women to be appointed to the private industry councils so that sensitivity to the job training needs of women will be recognized and dealt with.

Representative SNOWE. I have a number of other questions which I will submit to you in writing to have you respond because of the constraints in time.

[The response to additional written questions was subsequently supplied for the record:]

RESPONSE OF LENORA COLE ALEXANDER TO ADDITIONAL WRITTEN QUESTIONS POSED BY REPRESENTATIVE SNOWE

U.S. Department of Labor

Office of the Secretary
Women's Bureau
Washington, D.C. 20210

Reply to the Attention of:

RECEIVED
JUL 19 1984
WASHINGTON D.C.

JUL 19 1984

Honorable Olympia J. Snowe
House of Representatives
Washington, D.C. 20515

Dear Congresswoman Snowe:

I appreciated your invitation to appear before the Joint Economic Committee to discuss the concerns of working women. Your interest in the Women's Bureau and its constituency is heartwarming. I apologize for the delay in responding to your letter of April 23rd addressed to Ruth Shinn, but hope the following information is still relevant:

Question I:

(a) How is the information gleaned from your workshops translated or disseminated to a larger audience?

(b) How do communities and women's groups become involved in your programs; and

(c) How does the Women's Bureau choose which projects to fund?

Answer I:

(a) Information is gleaned from our demonstration projects and workshops through monthly or quarterly reports submitted by the contractor(s), final reports, and "How-to-Guides" developed as the final product at the conclusion of the demonstration project(s). Information from the Women's Bureau demonstration projects and workshops is disseminated in various ways. Of major importance are our publications. We usually publish the How-to-Guides, as well as using data gathered through the effort in other publications of interest to women. This enables us to publish materials covering a broad range of issues affecting women and work, and then distribute them using our mailing list which includes women's groups, community-based organizations, schools and public libraries, colleges and universities, etc.

Most recently, the Bureau funded a contract which will produce "How-To" manuals for a selection of our most successful demonstration model projects which were implemented between 1978 and 1981. The contract includes development of a plan for disseminating the models nationwide. Community-based organizations, women's groups and other service providers will benefit directly from these guides when they are produced toward the end of this year.

(b) As you know, the Women's Bureau has a small staff with only 29 persons in the ten Federal regions. Because of the aforementioned, it is imperative that staff network with other community leaders and women's groups to implement our board range of initiatives. In many instances, women's groups become involved with the Bureau through co-sponsorship of programs. Special workshops, symposia and other kinds of meetings are held, and community members are invited as participants or presenters. In many cases, the Bureau is the impetus around which a women's community organization forms. After we nurture such a group for awhile, we spin it off and sponsor additional groups or networks. In this way we are able to maximize our visibility and our resources.

(c) Projects are chosen for funding based on priorities established by the Bureau in keeping with the mission statement and the goals and objectives. We work within the Bureau to identify issues of concern to women. We work through national and local groups to ascertain their priorities. We receive unsolicited proposals, and we follow through in areas of research already underway. Of course, once a concept has been developed, then the Bureau follows the prescribed government procurement process to obtain a contractor to carry out the procurement.

Question II:

(a) In addition to the Women's Bureau "success stories" about the best means of integrating and promoting women in the workplace, have there been any programs, that, for one reason or another, haven't been successful? Is there anything that can be learned from the programs?

Answer II:

As noted above, the Women's Bureau has funded demonstration projects as a means of determining "how-to" implement special programs or to address specific issues. In addition, the Bureau funds research projects in areas of emerging interest to women in the labor force which result in publications as well as model demonstration projects. As a result, we are able to ascertain very useful information from each of our project or program initiatives. We learn which program components work best in each situation and are able to formulate appropriate strategies and alternatives. Therefore, we consider all of our projects and programs to have been successful even when the results have primarily shown us the least effective way to serve women.

Sincerely,

Lenora Cole Alexander

LENORA COLE ALEXANDER, Ph.D.
Director

Representative **Snowe**. But, finally, in your opinion what is the most important and critical aspect of helping women find jobs? Is it classroom training or skill training programs, counseling or job search assistance?

Ms. **Alexander**. I think it is a combination of all of the above. Along with that, some women who maybe have been absent from the job force for a period of time may need extra training combined with counseling.

Sometimes some of those factors are single. Sometimes they have to be put together into a package so that the woman can go into the work force and feel very comfortable.

For example, take the situation of a displaced homemaker who has been out of the work force for a long time. Her skills may be dormant or she may not have skills that are relevant for today's work force.

She may have fear about moving into the work force, not understanding the demands which may be expected of her. Under the displaced homemakers' program that type of a woman is given job training, counseling and other support systems so that she is able to go out into the work force.

Once she does join the employment ranks sometimes those supportive services need to be continued for a while until she becomes totally independent.

Representative **Snowe**. Well, I thank you very much, Ms. Alexander, and appreciate your testimony here today. It was certainly very informative.

Ms. **Alexander**. Thank you.

Representative **Snowe**. Next we will hear from Ms. Carolyn Shaw Bell, professor of economics at Wellesley.

Ms. **Bell**. Thank you for inviting me this morning.

Representative **Snowe**. Thank you. We would appreciate it if you could summarize your statement, Ms. Bell, if you can.

Ms. **Bell**. I shall do that, indeed.

Representative **Snowe**. Thank you.

STATEMENT OF CAROLYN SHAW BELL, KATHARINE COMAN PROFESSOR OF ECONOMICS, WELLESLEY COLLEGE, WELLESLEY, MA

Ms. **Bell**. Because I bring a somewhat different point of view than the other witnesses—namely that of an economist—I would like to begin by saying that it is not generally understood that although the gross national product of this country more than doubled in real terms over the last 20 years it would not have happened had it not been for women.

If you look at my prepared statement, you can see why. Again, most people do not realize that in this country, as is true of most industrialized countries, the labor force participation among men has been decreasing steadily.

Well, if you have a smaller percentage of men in the labor force it is impossible to increase production unless you have a makeup factor, which you can see clearly on that chart. It follows that the women's participation in the labor force also maintained the very high levels of national income to which we have become accustomed despite the most recent recession.

If that is true, then clearly this committee should look at the employment opportunities for women in the future because it is a question of the level of our national income, the level of economic growth, the extent to which we will be competitive with countries in other parts of the world, and the extent to which all of us will be better off.

It is not labor force growth alone that makes for economic growth, it is getting those people employed and, furthermore, getting people employed where they are most productive. It makes no sense simply to say, "Well, women's labor force participation is increasing. Therefore, economic growth will take place." It will not.

We will all suffer unless the specific productive potential of women is fully utilized. What this means is that since two-thirds of the newcomers to the labor force, between now and the end of the century will be women—and, again, two out of every three new workers, therefore, be important; and it is their productivity that we should be addressing.

Clearly there are paradoxes in looking at women as employees. The educational levels of men and women are identical. The new labor force that is developing now will contain a higher proportion of college graduates. More of them will be women.

There is no significant difference by sex as to average years of school completed, but nevertheless women's employment does not resemble that of men at all. The most recent data for occupational segregation, which Ms. Alexander mentioned, note that the biggest advance for women since 1970 has come in the occupation designated as managers and professionals.

Well, what the data do not show but what can be obtained from another source is that over the same decade, more and more women have gone into business for themselves. This increase in managers did not come about through any recognition by employers of the potential productiveness of women, not in the least.

If you look at segregation where women are working for other people, then there has been no significant change at all.

It is that aspect that I would put as central to the entire question of women in the labor force. I would like to mention another way in which men and women are becoming more similar, that is shown on chart 2 in my prepared statement. It used to be that the working woman had a much shorter worklife and people talked about women not being really attached to the labor force, whatever that means.

This is clearly less true. A 21-year-old person today who enters the labor force can expect to be employed about 30 years if female and only 5 more years if male. This represents an average work life doubling for women while the average worklife for men has decreased.

Again, if this is true, why do we still have the wage gap? You asked Ms. Alexander to what extent this wage gap could be explained away by factors other than discrimination. The truth is that all of the best research shows that somewhere between 15 and 20 percent of the wage gap still remains unaccounted for by anything except discrimination.

Now, my point as an economist is not whether this is right or wrong, or bad. It is inefficient. We are all suffering from keeping women in occupational segregated jobs because if they can be more productive in other jobs, who suffers? Never mind them. We all suffer.

Every single person in this room and in the country as a whole loses with addressing questions of how the committee can help and support women, and ameliorate their conditions and all of this that you frame your focus on the broader focus of how to improve economic welfare for the United States of America, because all of us are losers in this present situation.

We are, in effect, deliberately living in an economy that could be more productive.

I would like to turn to another point about this productiveness and efficiency argument which I think is essential and this refers to the number of children who are now living in poverty, most of them living in single-parent families headed by women.

The absolute number of children in poverty has increased over a period where the total number children has decreased, on account of the baby boom's coming to an end. So you have fewer children, overall, than you did 10 years ago. You have fewer poor people than you had 10 years ago, although the poverty has been increasing in the last 2 years.

But you have more, absolutely more, poor children. Who suffers? We are all going to suffer. It is these children who are going to be the workers of the future.

We already know that poor children have learning disabilities, that they have health impairments. They are simply not going to be efficient, not as productive; and you and I and everybody else alive 20 years from now are being shortsighted in keeping these children poor.

As far as providing for both the poor children and the single mothers, I recognize that the committee is concerned with support systems like day care, flextime, and other very specific programs. I would have two very general recommendations.

First of all, I think that Congress does better when it avoids legislating very specific provisions because people's preferences matter a great deal. There are women who simply do not approve of any kind of day care center.

They would prefer to employ someone known to themselves and their family. There are other women who think this is horrendous.

From that point of view, I would hope that this committee and the Congress could address somewhat broader provisions, like giving people money so that they can obtain the kind of child care provisions they, themselves, wish.

One last point specifically to the question of child care. It is the case that every industrialized country except one has children's allowances. These are outright benefits paid to a family with children.

They are, of course, taxable so that high income people who receive these benefits turn them all back to the Government. They are established not as a matter or rightness and morality and being nice to our children, but because these other countries recognize that the children of today will be the workers of the future and the better off we make our children today, the better off we will all be in the future.

I do not understand, I never have understood why the United States is the only country in the industrialized world which does not have a system of child allowances. You mentioned the question of the refundability of the employment—I never can remember the initials—tax deduction, and that is a case in point.

There are people—most of them are over 65 and receive Social Security income—who get actual checks back from the Government, this is already refunded, when those people are employed and pay Social Security taxes. I think refundability should have been written into the law in the first place, but beyond refundability—which, after all, only helps those who are already paying taxes—why not go the next step, which is a children's allowance to all children?

There are innumerable ways in which it could be set up and I certainly do not want to design a specific program here and now. Let me mention a couple of other specific issues instead, going back to the employment of women, this two-thirds of all the new workers in the next 20 years, in their most productive work opportunities.

How do we do this? I would hope that the committee could maintain contact with all of the programs that are currently being considered in Congress now, with those that were legislated earlier and are now in the process of being implemented, and with other congressional committees.

For example, the Job Training Partnership Act that Ms. Alexander commented on, her workshops, her demonstration models are superb. But how many women are actually getting employed by the Job Training Partnership Act as other than day care providers, typists and all these other well known jobs?

We have had similar experience in previous acts that were targeted toward women beginning with the Public Service Employment Act in the 1960's followed by CETA. Both of those pieces of law had specific provisions in them that women and minorities be given priority.

Yet if you look at the figures you will find that the people who benefited were not women and minorities in proportion to their share of the client population. Even under the WIN Program, which is designed specifically for the mothers, these single mothers I was just talking about, who are in poverty and receive welfare, who get referred to jobs?

Men, under the WIN Program, get referred to the higher paying jobs than do the women under the WIN Program. It is this sort of program already on the books and in existence that could be very much improved if Congress would perhaps give a little bit more attention to oversight rather than designing new programs.

There is, at the moment in both the Senate and the House, a bill on vocational education. This is clearly an area where the Federal Government can be of enormous help in influencing what happens in States and localities all over the country.

Again—guess what?—Women are singled out and mentioned in the legislation as being of special interest and 40 percent of the funds are supposed to go to women and minorities. I am not quite sure about why that figure, given that women are more than 50 percent of the population, and some minorities are men; but never mind.

Again, my point is that if that legislation is specifically administered to ensure that women are enrolled in the courses in electronics, women are enrolled in the courses in sales management and welding and biogenetics and the new types of industries that are being developed, then let the men learn some typing skills. It will benefit them when they sit down at their computer terminals.

I would like to mention one last thing about vocational education. That has to do with the fears of the new technologies. We have heard, in my opinion, all together too much about how horrible it will be when robots displace hundreds of workers and word processors put all of the women clerical workers out of jobs. There is really no substance to this picture and the reason for it is very, very simple.

It is easy to foresee technological unemployment. You can look at the people who are employed now and say, "They're going to lose their jobs." What you cannot do is envision the new jobs that will come into being with the new technology because, by definition, nobody knows what those new jobs are.

But we have had experience with this in the past. In the late 1930's when the first research on the computers was underway and everybody knew what a computer was, even though we had not built one, there was a lot of talk about "What's the market for these computers?"

It was clearly established, before the first Univac came out of the works, that by 1965, six computers could take care of all of the needs of the entire country for computers. I think the Bureau of the Census would have had a fit had this possibly come true.

There is no way by which the employment opportunities can be foreseen. What this says for vocational education is that we need to train people to be flexible, we need to train people to learn, we need people who can understand that learning how to do a job one day does not entitle them to insisting on having that job 20 years from now if it has become technologically obsolete; but rather that they can shift into the new areas that will develop.

It is odd that neither management nor labor talk very much about developing a flexible labor force, and yet we know that this is one of the largest contributors to an increase in productivity.

There are other areas which I think need special attention. Let me make one observation about teenage unemployment and employed mothers, whether or not they are married. Because their employment problems are very much the same, most of the teenagers in this country who are either employed or looking for work and unemployed are not primarily interested in employment.

Their primary activity is going to school. That means that there are constraints on the kinds of jobs they can take. If you have a biogenetics plant that opens up and says, "We need research people; no experience needed; $10 an hour; we will train you," that is not going to do any good for the teenager who wants to work after 4 p.m. in the afternoons and all day Saturday. No good.

By the same token, women with children feel the same constraints, that some jobs simply are not open to them because of time constraints, specific hours that the attendance at school for the children and at the job for the mother is required, and so on.

In these cases, you know, what is needed is not to retrain the women, but to restructure the employment environment itself.

But, finally, you know, I would very much like it if this committee could recognize that children are really not the responsibility of mothers. Day care is not a women's issue. Child care is not a women's issue.

Every single parent in this country has two responsibilities to the children. One is to provide money income so as to support the children; and the second is to provide the real income that the parent can give the children directly.

I just want to close by reiterating this point; that every time one of these projects comes along to look at the labor force participation of women and the issues that come out of it, I get very, very worried that dwelling on the problems and needs of women will contribute to perpetuating the myth that women workers are somehow different and more fragile than men.

It is this myth that does more harm to increasing production and output than any others. You know, "Women workers need special attention; flextime, day care, maternity leaves. Now, reliable, productive, sensible hardworking men don't need these things."

It is this sort of dissention, whether it is voiced or not, about the employment of women which I fear very much. It is an extraordinarily difficult myth to combat.

I think the way around it is to say, "As workers, women can bring human resources equally valuable to those of men; and, as workers, those resources should be used fully and effectively."

So I hope the committee will deal with the problems of employment of workers who are women and not women who have to work. Thank you very much.

[The prepared statement of Ms. Bell follows:]

PREPARED STATEMENT OF CAROLYN SHAW BELL

My name is Carolyn Shaw Bell; during my professional career as an economist I have specialized in research on the distribution of income to people, especially in this country. Since most people earn most of their income from working at paid jobs, I have necessarily become acquainted with the economics of labor, and have published articles, testified before Congressional committees and in courts of law, and have acted as a consultant on various aspects of wages, incomes, employment, and our understanding of these issues. With this background I hope to assist the Committee in its deliberations on the role of women in the economy.

Were I to give a one-line statement, I would say that women have sustained the economy for the past twenty years, and have accounted for the significant growth in both real output and income that has occurred.

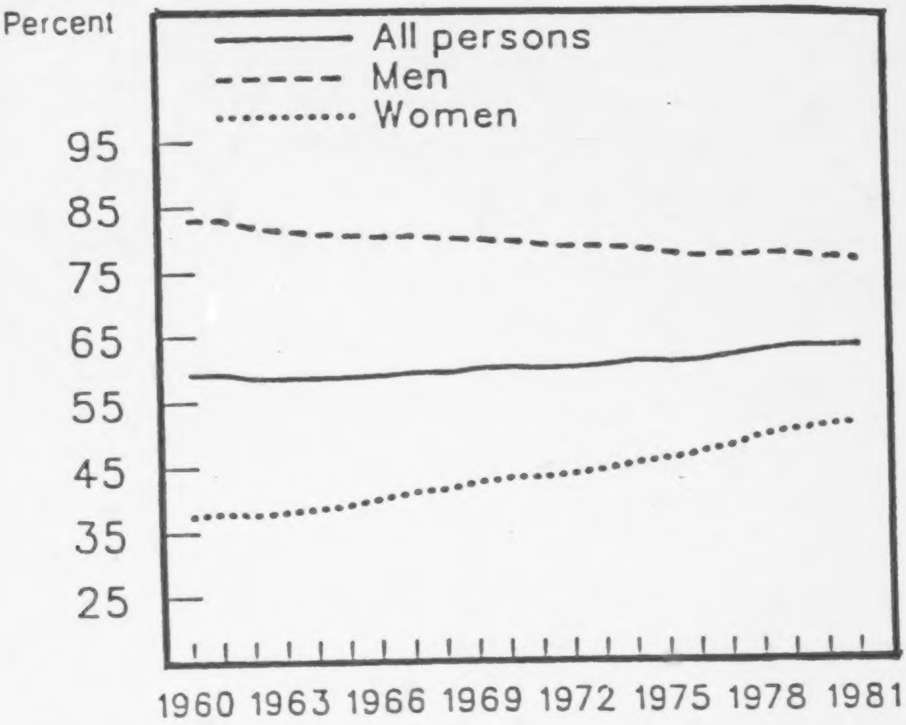
It is not generally realized that labor force participation by men has been steadily declining in this country for many years, as it has in all the industrialized nations. For gross national product to double in real terms since 1960 as it has done can only have happened because women in the labor force more than made up for the decline among men. Chart 1 shows these trends: the solid line for the total labor force grew despite the steady decline of men because of the higher participation rate among women. The economy was sustained not only by women's production but also by their earnings: the level of national income has risen steadily except for the cyclical periods of recessions, like that from which we are just emerging.

Over a longer time period, women's labor force participation has revolutionized the distribution of income in this country. A striking contrast exists between the situation 30 years ago and today. In 1950, 60% of all women over 15 had no dollar income at all: they depended totally on others who were the earners in their families to provide their food, their clothing, and their spending money if they had any. Today only 10% of the women over 15 can be described as without purchasing power, with no dollar income of their own. Most of these who are still dependent, like the 5% of all men today with income, are young people still in school who are readily supported by parents who want their children learning instead of earning. And, women earning income not only achieved their own financial independence but that of others.

The income transfer systems which began in the thirties have succeeded and become wide spread as the increased earnings of women have funded Social Security, unemployment insurance, aid to the elderly and the blind, veterans' assistance, aid to the families of dependent children, and so on. Another contrast between 1950 and today confirms this point.

In 1950, taking men and women together, 40% of the total adult population depended on other people and lived with wage-earners. As parents or wives or other relatives of those who were bread winners they ate with their families, shared their homes, and were given any money they had to spend by those with earnings from employment. Many families included one or more elderly people, and some supported disabled or ailing relatives unable to hold paid jobs. The income pattern of 1950 found some 59 million workers, chiefly men, using their wages to support 43 million other adults, living in their families. Today about 97 million workers use their wages to support only 12 million other adults living with them. These figures describe an enormous change in the way in which our economy functions and one that can be expected to continue. Any examination of women's role in the economy should be premised on a clear understanding of how vital, for production and income, a high level of employment among women must be.

CHART 1. Trends in labor force participation rates, for all persons and bv sex, United States, 1960-81



Turning now to the prospects for the near term, everyone who will be in the labor force for the next 15 years is with us today, which makes the forecaster's life easier. We know that women will contribute about 2/3 of the total growth of the labor force over the next two decades: this again emphasizes the decreasing participation of men. It follows that the total labor force will become increasingly female, but the sexual division of the labor force may be less important than some other characteristics. Minorities will continue to expand, as a fraction of the labor force; Hispanics currently make up the fastest-growing group. Those looking for jobs and becoming employed over the next twenty years will consist more and more of young middle-aged workers.

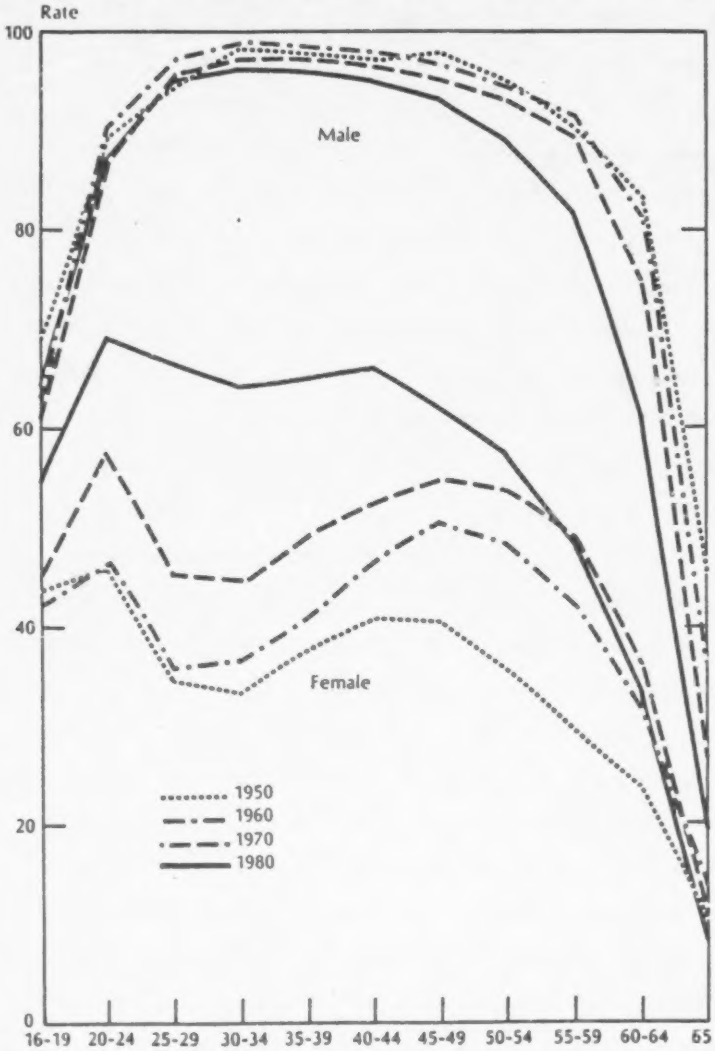
It is not labor force growth, but employment that promotes economic growth. To attain high levels we must have rising productivity. For this country to be competitive vis-a-vis existing rivals and those who have not yet appeared on our horizon, we must have continued high productivity. And this means using the newcomers to the labor force over the next two decades, as well as those already in the labor force, in the most efficient way, and ensuring that these people can develop their individual capacities. In particular it means that the potential resources offered by women are fully exploited.

In looking at women as potential employees, one confronts a series of paradoxes. First, the educational levels of men and women are identical: the average years of school completed show no significant difference by sex. It might seem therefore that women should be used widely in every possible occupation and job opportunity. But in fact, women's employment does not at all resemble that of men. Occupational segregation is rampant and for all the publicity given to the increasing number of women engineers, physicians, lawyers, and the like it remains true that women remain concentrated in a few, mostly traditionally female, occupational fields. One reason for this is the rapid growth of such occupations as the service industries have assumed greater significance in the U. S. economy. But that is not the only reason. Second, the average work-life of women and men is becoming very similar. Today the young 21 year old entering the labor force can expect to be employed about 30 years, if female; about 35, if male. This represents for women a doubling of average work life since 1950, while the work life expectancy of the young man has dropped. Chart 2 displays the changes. These trends too will continue in the near term, as the notion of women's "lesser attachment to the labor force" becomes totally obsolete. But at the same time another significant difference between men and women continues, and that is the wage gap. Earnings of fulltime year round workers, female, have stuck at 60% of the male figure. And no success has attained the efforts to explain away the difference because of experience, occupational choice, expectations, training, and a host of other variables. Like occupational segregation, the wage gap does evidence discrimination and the confinement of women to lower-paying jobs.

Now it is essential to realize that the situation so described is just plain inefficient. Simple economic analysis can show that keeping women in occupationally segregated jobs will lessen production, that having women work almost as many years as men but never earn on a parity with them will lessen income. And since it is women's employment that has sustained the national output and income, the entire country loses by this inefficiency. As an economist I hope that this committee not address questions of "help" or "support" or "amelioration" for working women but rather the broader question of how to improve economic welfare for the nation's people. We all suffer if women's productive potential is ignored. We are the losers if a potentially skilled woman is confined to unskilled low paying jobs. We don't even know how much

Chart 2.

U.S. Labor Force Participation Rates, by Age and Sex: 1950 to 1980



SOURCE: Bancroft, G., The American Labor Force: Its Growth and Changing Composition, New York: John Wiley and Sons, Inc. 1958; U.S. Department of Labor.

we lose when women are unable to develop their individual capacities and resources. In short, we live in an economy operating inefficiently, restricting its total output well below the levels that could be achieved if every woman were employed in the job that offered the greatest chance for her, as an individual, to be productive.

For efficiency, then, the basic program to improve women's participation in the labor force must consist of all kinds of efforts to deter job segregation by sex and to encourage desegregation among occupations. It is not easy to change traditional ways of thinking "that's a woman's job." But if a man is better suited to do it and a woman is more productive doing something else then not only the two of them, but everyone else as well would gain. Significant economic rewards exist for changing the thinking and breaking down the barriers to women's employment.

These barriers exist for three quite different groups of women. For those seeking first jobs, there is insufficient information and guidance. I hope the committee will investigate guidance counselling, especially occupational guidance in schools and colleges. How many guidance counselors present eighth and ninth grade boys and girls with realistic pictures of what it means to "work in banking," "be a police officer," "help sick people," "build computers or rockets," and the rest. Does the information about real-life jobs in insurance, technical sales, communications, and education show men and women holding identical jobs as well as men working under women supervisors and women managing large organizations? Is it fair to young boys to let them expect to be corporation presidents and judges and generals if in fact women may compete them out of these jobs?

I hope the committee looks at all the cooperative programs being set up, very much as a matter of private initiative or public/private cooperation at the state and local level, between industry and the schools. When a local concern offers internships or apprenticeships or even visits by classes to the neighboring schools does it make internships on the shop floor available to 15 year old females and apprenticeships in the typing pool available to 15 year old males? Does the local hospital send women radiologists who use their male technicians to assist in a job demonstration before the local high school?

I hope the committee looks at outreach programs sponsored by private and public organizations, again at the state and local level, including the boy scouts and the girl scouts as well as labor unions and community groups of all kinds. Are these groups successful in reaching young people unsure about the world of work and do they explain new occupations in hotel management or transportation services or marketing financial services or landscaping in an urban environment?

Most of these programs target young people, yet they should be available to women at all ages and men, too, for that matter. Significant numbers of women will continue to re-enter the labor force after an absence of some time and will find their previous work history totally irrelevant to today's market. This typically happens to men after they leave the armed forces, but it happens to women when they are deserted by their husbands or after their children have become less dependent upon a mother's attention. In today's changing technological environment, however, other kinds of workers will need guidance and information.

Next, consider obstacles for the 45 million women currently employed and the 3½ million other women who would like jobs. (This figure excludes the women in the so-called discouraged labor force group.) How can we secure maximum output and efficiency from these women already holding paid jobs? Primarily by insuring that they have access to job training programs, to promotion ladders, to education enabling them to adapt to new technology, and that they have continual exposure to new knowledge about the changing economy.

It is a rapidly changing economy with biogenetic industries that may replace our massive chemical industries, information processing and communication systems that by now almost surpass manufacturing in economic importance and new service industries in management consulting, international organization and finance, health delivery systems design, and other sectors as yet undreamed of. Too much has been made of the spector of technological unemployment in this changing economy. The common picture is one of gloom as robotics displace hundreds of workers and one computer does the work of hundreds of clerical jobs. But there is no substance to this picture.

It is very easy to see how unemployment can result from technological change but by definition the wider employment from technology cannot be so perceived. Hence the gloom-sayers are looking at only part of the picture. It is inevitable because how any new technology will be used in the future is unknown. Precisely because of that ignorance we cannot know how people will be employed, or how many.

My favorite example has to do with the wireless which Marconi invented in order to make telegraphic communication possible in hitherto inaccessible places. Although the benefits to humanity were readily acknowledged to be enormous, the employment opportunities opened up by this marvelous instrument would be meager. Only a few more jobs, as more telegraph operators would be needed once the wireless stations had been set up and installed. Nobody thought that wireless was the precursor of a gigantic new industry, because nobody foresaw radio and television as entertainment. Consequently, the hundreds of thousands and millions of jobs in broadcasting could not be predicted, nor could the factories making radios for homes, for cars, and finally for joggers, nor the other jobs in retailing and service and repair work - none of this was foreseen when Marconi invented the wireless.

We simply do not know what lies ahead as new technologies emerge, but it is clearly incorrect to say that gloom is inevitable. Those who want to prepare for less and less employment opportunities as technological change takes place are repeating an old ignorant argument, one that led to riots in the north of England led by the Luddites in the 1830's, one that is being equally wasteful, if less bloody today.

To prepare for the opportunities offered by new technologies, requires flexibility, adaptability, and above all, learning ability on the part of workers. It means programs for workers now employed to learn new ways of working. If they are technicians there should be opportunities for them to learn selling, administration, and other organizational and "people skills." If they are in "caring professions" there should be opportunities for them to learn something about high tech (whatever that is) and its possible implications for their concerns. Developing a more flexible labor force has rarely been set forth as a conscious goal by either management or labor, but it can surely be voiced as a desirable goal by this committee.

Take job posting, for example, a demand frequently made by women who do not know of job openings elsewhere in the office or the firm so cannot apply for any position that is open. The reasons why job posting does not occur range from outright discrimination ("this job isn't suitable for a women" "there's not a woman on the staff capable of doing this job,") to inexcusable carelessness "how did I know anybody in the secretarial pool would be interested in an assistant sales job?" "Carla and Betty are the only two qualified and they wouldn't want to leave their husbands and this job involves a lot of traveling." If job posting is carried out, and once turns up an applicant who proves clearly superior to all the rest then everyone suddenly learns that job posting is a good thing because everyone gains. It is that message, that everyone gains when women are given greater access, that needs to be stressed over and over again and I hope the committee will put its best efforts to make this point.

Finally, there are obstacles for employing certain demographic categories for we need to distinguish between single women, married women with active spouses, and women supporting families whether or not they are married. Most of the latter are, of course, single mothers supporting children but there are also 3 million families supported by women that contain other adults, either a disabled or retired husband or another relative.

The size of these 3 groups, as of 1982, was as follows: 5,000,000 women living alone, 5 million maintaining families with children, 22 million women with employed husbands and 3 million with husbands either unemployed or not in the labor force. The teenage population falls in none of these classifications and deserves a special word.

First, the rise in both labor force participation and employment among teenage women has far out-paced that of any other group: the burgeoning of teenage employment is almost entirely due to increases in labor force participation among females. Although the vast increase in the U. S. teenage labor force resulted partly from the higher birth rates of the baby boom, it also reflects a steady growth of the percentage of young women in the labor force. Participation rates among female teenagers rose from 29% to 44% among 16 and 17 year olds and from 50% to 62% among those aged 18 and 19 between the early 1950's and 1980. Primarily this reflects a social change rather than economic pressure: girls have obtained more freedom to act like boys.

In any event 55% of the women between 16 and 21 were in the civilian labor force and 5½ million were employed. At the same time almost 2½ million of these women gave as their major activity "going to school." Hence, the part-time labor force has a significant teenage component.

This has special meaning for the question of teenage unemployment. We know enough now to realize that the major problem of teenage unemployment is not that of sex but that of race. Unemployment rates among black teenagers have been double and beyond those of white teenagers.
Ironically, not until white teenage unemployment rates approached double digits in the 1970's was there much national concern, although black teenage unemployment rates had been at these levels for years before. We know also that the disparity exists not because of differences in education, in motivation, or even in location. Whites and blacks differ in their opportunities to get jobs.

Most young people who want jobs have as their major activity going to school. This means that their job choices are restricted. They can work only certain hours and only in places fairly accessible to both home and school. Parents' approval of a particular job also exercises constraint. The availability of jobs for teenagers is a special subset of the availability of jobs in general, quite aside from the experience or training needed to do the job. The fact that a local steel mill may be hiring with no previous experience needed and excellent wages offered is totally irrelevant to the high school junior wanting to work after 3 o'clock during the week and all day Saturdays.

When jobs are available, teenagers learn about them from, and are frequently recommended for them by, older siblings, family, or friends of the family. In short a kind of community networking exists, goes on to plug white teenagers into jobs when they are available and is almost totally lacking for blacks. Black communities do not offer after-school jobs as checkers or baggers in the local supermarket or as operators in the local fast food chains. Black adults are not themselves employed in positions where they can recommend youngrelatives for part-time work. So more attention needs to be given to changing the surroundings of black teenagers in order to reduce unemployment.

Unemployment among black teenage females is much higher than among teenage black males, yet very little attention has been paid to them with the exception of the brilliant work of Professor Phyllis Wallace, in her two books, Black Women in the Labor Force, and Pathways to Work.

The surroundings of these young men and women also differ. For some, the surroundings provide an-alternative kind of employment, in petty crime, vandalism, and street gangs action. And for the female teenager another alternative is teenage pregnancy.

It is important to note that, although pregnant teenagers form a larger portion of the black female population than of the white, the extent of teenage pregnancy is decreasing among blacks and rising among whites. Second, the age at which these pregnancies occur has been dropping: it seems unrealistic to speak of pregnant "women" when the subjects are twelve years old and still in childhood themselves. All the evidence shows that the pregnancy, particularly if it is not terminated, threatens the well-being of both the mother and offspring when it occurs at such early ages. As for future employment, these young mothers have acquired grave disadvantages from their new responsibilities and the competition of their young families with their own individuality, their efforts to gain an education and then an occupation.

One major accomplishment would be to establish employment other than childbearing as both desirable and viable for then teenage pregnancies would decline and the employment of women would be significantly enhanced. I hope therefore that the committee will lend support to all efforts to portray the world of work as an alternative to the world of motherhood.

As for adult women workers, the group who maintain families by their employment contains mothers of dependent children and also women who support other adults. They numbered slightly over 9 million in 1982; they supported almost 7 million children under 18 and 1½ million other relatives and 1/3 of them lived in poverty. For the one in four of these women over 65, employment is not a current concern, but the committee should note that the poverty of these older women today must be avoided for the future of women now in the labor force.

Women who support children with no husband present make up the fastest growing type of family. This reflects both an increasing rate of marital break-up and a rise in the number of children born outside marriage. Seventy percent of these women worked at some time in 1982; half of them full-time with an average of 43 weeks worked during the year. Nonetheless, 27% of these working mothers did not earn enough to bring their families out of poverty. It is not correct to conclude that these women were cruelly exploited, or that they were unfit for anything except for low wage jobs, or that they need training and job counseling. Each of these diagnoses would seek a remedy by changing the women. But in many cases it is the structure of the employment environment that needs to change.

Mothers who take paid jobs are in much the same situation as teenagers looking for work: their hours of employment are constrained by their responsibilities at home, their mobility is limited by their concerns to be near their children, or the school or day care center, their availability fo specific jobs may be restricted because of hours of work provisions. If there is a good job starting at 8:30 in the morning but a single mother must get her child to school at 8:45, is the appropriate remedy offering the mother retraining or requiring her to take a lower paying job? Not if our goal is that of enhancing income for all Americans: getting each person into the job where she will be most productive should remain the overriding aim.

Women who support children lack time as well as money income, and this can limit their ability to find better jobs, acquire new skills or even learn about becoming more productive. Professor Clair Brown calls these women "time-poor" and the pressures can also be seen as trying to carry out two jobs: paid employment outside the home and unpaid employment inside the home.

Improving employment for the time-poor means recognizing employment responsibilities. We need a flat policy pronouncement that all adults who are parents have two employment responsibilities: One to secure money income to support the children, and the other to provide real income to the children, to give care and attention and help the child develop. If this sounds like a moral or social value it is not stated as such, but again as a matter of efficiency. The children growing up today will be the workers of the future: their productivity depends on the investment of time and attention given to them today.

Evidence suggests that children from single parent families may perform less well on standardized achievement tests in school; children in single parent families by definition have less stability and continuity in their upbringing. Finally, the economic deprivation of children in single-parent families cannot be overlooked.

The definition of poverty and the measure of poverty has, as you are all aware, been the subject of intense controversy for a good many years and I do not now propose to enter into it. What I do suggest is that measure of the poverty gap for children can be roughly measured simply by looking at the median income of families with children dependent on a single parent and families with children where there are two parents. If income is a rough measure of human capital investment then society will benefit if all children are treated alike in this respect. But in 1981, 46 million children living in two parent families enjoyed a per capita income of about $7500, the 10½ million children living in single parent families had a per capita income of about $3800.

The size of this gap has been increasing steadily for ten years. The number of children who are poor has also been increasing steadily for ten years. And there is no obvious reason to deliberately make our future labor force less productive than it could be. Yet that is the effect of this poverty gap for children. As for the women trying to support these children, let them be as productive and as willing workers as any other members of the population, employed in the jobs they are best suited for. Relieving them of financial deprivation would enhance their productivity as well as providing for appropriate capital investment in the children.

The committee will undoubtedly be deluged with specific recommendations to improve the facilities for daycare, to enhance flexi-time and part-time work so that mothers can themselves better handle the two responsibilities of paid work outside the home and unpaid work inside the home, and so on. My own view is that Congress would do well to avoid legislating specific provisions since people vary so greatly in their preferences. What may suit you as a young mother with children to raise may strike me as appalling. My own provisions for child care when I was a single mother might be disapproved of by some single mothers today. That being so, rather than having Congress legislate specific provisions I hope the committee will turn to broader solutions like providing money.

The second group of women who support families is largely overlooked in discussions about women. They have mostly been employed a good part of their lives, and many are employed now. They support other relatives, many of whom are elderly and many female. The phenomenon of the woman over 65 who supports a mother, an aunt or another older relative, has been termed the elderly supporting the older elderly. With increasing longevity their number will, of course, continue to grow. And if the committee's primary concern today is the problem of younger working mothers there should be awareness that unless conditions change, many will become dependent older women living in or near poverty thresholds.

The last group of women with families live with their husbands and comprise the majority of working women. Again the statistics are familiar. Over half of all married women are currently in the labor force, the major growth in labor force participation in women is among those with young children, 45% of all wives work year round full time and 44% of those with children do so.

Let me comment on one of the most frequently quoted statistics about married working women: 52% of all married couples now have both husband and wife in the labor force. This is extremely misleading and I hope the committee doesn't adopt it. The problem is how we think about percentages. To say that 52% consists of two working partners makes most people think "well that still means that almost half are supported by the working man whose wife stays at home."

And that is completely umtrue. The problem is that 100%, or "all married couple families," includes elderly couples who have retired and young married people studying together in college or graduate school, and in these families nobody is in the labor force. In fact about 13% of all married couples earn no income at all from paid jobs. That is why this statement is so highly misleading. If you look at the smaller group of people for whom employment is relevant a very different picture emerges. I like to phrase it in terms of probabilities. "If you are employed or looking for work the chances are 2 out of 3 that your spouse is also.

The economics of employment for working wives is the same as for men: All adults have the responsibility of doing productive work and earning their keep. For some the productive work may be paid with money wages and for others nonmonetary rewards exist. Their earnings may be received directly as with the farmer enjoying the "fruits of his labor" in apple orchard or vegetable garden or the executive enjoying the perks of company car ane expense account. Some productive output has always taken place at home: whether or not people are married they must take care of the place where they live and their own bodily needs. Some years ago I dubbed this employment "consumer maintenance" instead of housework in order to point out that the undue attention given to "housewives" totally overlooks the fact that there are millions of single men in the country, living by themselves, who manage to get fed, wear clean and presentable clothes, and live in housing that is not condemned by the Board of Health. Housework cannot therefore be regarded as a peculiarly female occupation. Nonetheless it is the division of labor between paid employment and unpaid employment at home which has raised the most controversy and, in my opinion, been subject to the least fruitful analysis in looking at employment among married women.

There is some evidence from work by Joseph Pleck of the Wellesley Women's Research Center that married men are devoting a larger share of their time to household chores. It is significant because this development has occurred fairly recently, seems to exist with or without the presence of children, and does not depend on wives employed outside the home.

I do not think that it is possible for this committee to determine an appropriate division of labor within families and households and I devoutly hope that Congress never takes upon itself this responsibilty to do so. I do think there are certain features of our economy, which Congress could change to widen the choices open to people about the division of labor within the home.

One such is the tax structure. I favor a change such that both Social Security taxes and benefits and the federal income tax should apply to the individual. Married workers should split the benefits secured to them by Social Security contributions and all vestiges of the marriage tax should disappear from the federal tax system.

Changes like this hold special significance because Congress will shortly face a truly major piece of social legislation, a revision of our system of providing health care. At the moment most of the population is insured because most of the labor force has insurance schemes at work and the population over 65 is covered by federal provisions. This does leave a group of people without sufficient health care coverage. But it is poorly designed because it does not allow for the large number of dual-earner families, nor the proper financing of health care for the older population.

I hope that before this country embarks on a major reconstruction of the health care system we will all make it abundantly clear that the employers of this country hire workers who are married to other workers. Most people in this country who are employed are married to other people who are employed. So, like my recommendations for taxes, I encourage Congress to design health care legislation for all adults and all children without regard to their family or marital or employment status. We have long since left the era when a job was supposed to provide for a man and his family. Today jobs provide for people and their families.

My other concerns about the circumstances of married women refer also to the concerns of married men: again both men and women are parents and both men and women are responsible for children. Rather than being concerned with providing more day care coverage, legislating job sharing, or providing special schemes to support working mothers I would hope that the committee recognize the contributions of working parents to the future income and output of this country. For this reason I think that the notion of providing maternity benefits is irrelevant: presumably as a temporary physical disability maternity and childbirth should be covered by any sensible medical insurance scheme and beyond the short period of time required away from work for childbirth the subject should be one of parental leave. I doubt the country is yet ready to go as far as other countries, say Sweden, where every worker is entitled to parental leave. I would also hope this committee addresses the notion of child insurance. A recent popular version of the famous Michigan survey of 5,000 families has enabled more people to know what some of us have known for years about the impact of marital disruption on the economic status of children. The major cause of poverty in this country is not job loss or poor training or inability to find work, but family disruption. Again, to revert to my earlier comments about the children of single mothers, it is the children who suffer in cases of desertion or death or divorce; it is the children who suffer when a family's income is disrupted. Consequently the committee might well wish to consider legislation establishing child care insurance, financed if you will by an additional Social Security tax paid by all working parents and graduated according to the number of children born. The proceeds from the tax would be shared each year among all of the parents of children and would be subject to tax. There are other ways of doing the same thing. Until such far-reaching legislation is passed I hope this committee will support all efforts to make court-awarded child care payments in the case of family disruption subject to witholding by employers or to witholding by the Internal Revenue Service.

Finally, I would point out to the committee that if its efforts dwell on the problems and needs of women, it will be contributing to the perpetuation of a myth that women workers are somehow different and more fragile than men workers. This myth does more harm to the goals of increasing production and output than almost any other. It suggest that women workers need special attention: flexi-time, day care, maternity leave, all these things that reliable productive, sensible hard working men employees don't need. It inevitably promotes dissension, whether or not voiced, about the employment of women nor does it help in having women accepted in nonconventional areas. This myth is extraordinarily difficult to combat because in many ways women, themselves, perpetuate it. But as workers, women can bring valuable human resources, and as workers, these resources should be used fully and effectively. So I hope the committee will deal with the problems of employment of workers who are women, and not women who have to work.

Representative **Snowe**. Well, thank you very much, Ms. Bell, for your very refreshing perspective. I think you have raised a number of challenging points this morning.

I agree with you. I do not think that necessarily child care is a women's issue; both male and female are involved in the process as well as raising their children. It is obviously their responsibility and a dual responsibility.

You suggested that it would improve the economy, obviously, and be helpful to women if we could enhance their productivity in the workplace. How would you suggest the Federal Government go about becoming involved in that role, or should the Federal Government become involved?

Ms. **Bell**. To the extent that the Federal Government is involved in education—and I think it necessarily must be involved since most of the new workers who will be in the labor force over the next 20 years will come out of the educational system—I would look at the guidance systems, the counseling that is going on in the schools right now at every level. I would look at the job outreach programs that are being set up at the local levels by partnership with business and the schools.

How many of these internships provide for a high school male to be a food service worker and for the high school female to be an assistant to the vice president for sales? It is that sort of counseling.

How many guidance counselors say to a little boy, "Look, you shouldn't expect to be a corporation president, you know, nor President of the United States. The chances are very good that Susie is going to have those jobs and you have to figure out how you're going to work for Susie." It is this sort of counseling approach that would get both men and women into different jobs that would increase productivity more than anything else.

Beyond that, for women who are already employed greater insistence on job posting, on the availability of promotion ladders, on the job training; and, again, many of these efforts are already in place. They just need a little bit of——

Representative **Snowe**. Well, I think that is the frustration, as you have mentioned earlier, that 15 to 20 percent of the wage gap cannot be explained away by other than obviously sexual discrimination in the workplace; and it starts from early on, you suggest—guidance counseling in the school systems.

Where do guidance counselors refer young ladies to go in terms of after they graduate from high school? What kinds of employments do they recommend?

So it really does start from the early years in the educational system and beyond; but we find that even in spite of the fact that the Equal Pay Act and the Equal Credit Act and title VII of the Civil Rights Act and all of these laws are in place, that women still are confronted by gender-based discrimination in the workplace.

Would you suggest that it is a lack of enforcement on the part of the Federal Government, or the fact that we need more laws in place?

Ms. **Bell**. Well, I have two theories about this. I find it interesting that in my own profession—I am a professional economist—that the number of women at the higher levels in economics departments of universities and colleges throughout the country who are tenured professors is smaller now than it was 10 years ago. I think this is sort of interesting.

On the other hand, if you look at the number of women economists in private industry they have more than doubled. Our figures are not very good, but we know that women are in middle management and beginning to get into executive positions in industry, and that they are welcomed—my students find many jobs open to them—in private industry. Why?

I hate to tell you, but I think it is because of the profit motive. Private industry knows that women pay, they pay off in profits. So they hire them. Academic economists have no such incentive to hire women so they do not.

That suggests that the laws requiring affirmative action in nonprofit areas are probably the only way there will ever be any change, whereas the pursuit of a profit has already brought about change in other areas. Not to say that all industry is perfect, far from it.

I also think that much more could be done through, again, existing groups. The number of organizations in the country, from the Kiwanians to the Rotarians to the Women's Clubs to the Girl Scouts, who have all sorts of programs could, themselves, if they were convinced, do a lot to eradicate this kind of discriminatory attitude.

The best study I know of that dealt with the problem of reversing an attitude of discrimination was that made in the early 1960's and it had to do with blacks in private industry, not women. The consensus of a great many case studies was that it took a strong directive from the presidential level of a corporation followed up by requiring reports on what had been accomplished to get rid of discrimination.

I will leave it to you to apply that.

Representative **Snowe**. We are trying, however unsuccessful.

You also suggested in your testimony here this morning, Ms. Bell, that this committee and the Congress should turn to more broad policy, like giving money as you suggested to individuals to assist the mothers in child care or transportation or flextime, and so on.

But could you tell me, is it not important though that we address those specific issues? Because they do, in fact, play a role in hindering women from entering the workplace.

Ms. **Bell**. You mean like child care?

Representative **Snowe**. Yes, like child care. Maternity leave is another example that was discussed in Ms. Alexander's testimony. We did not get into it, we did not discuss it further this morning; but that is another issue as well.

Ms. **Bell**. I frankly am opposed to maternity leave except during the period of childbirth. I am absolutely all for parental leave; and that is, again, symptomatic of what I was trying to say earlier. Why call it maternity leave? Why should a woman have 6 months off after her child is born?

If you have a parental leave provision in place, it may very well be that 90 percent of the parents who take this leave are women;

but it is quite different than legislating maternity leave. That would be my answer to that.

I think also, you know, that we underestimate the powers of creativity and entrepreneurship in this country. Think about when medicare and medicaid were first passed, and the change in the provision of health services that has taken place. What has happened is that the nursing home industry has boomed and so have for-profit health care providers.

Both of these consist of large highly profitable industries offering services that were not available 15 years ago. They have done very well. They are available all over the country.

Now, do not misunderstand. There are many things wrong with the present system of nursing home and for-profit health care providers. But my point is you made money available and a way of providing the services sprang up.

So I think that is what I would say to you in answer to your question; that if Congress tries to set up, you know, a model day care program which it will subsidize, it may be much more costly than simply to say to the poor children——

By the way, I must give you one figure. Half of the children in two-parent families have a per capita income of less than $8,000 and half have more than $8,000, but the per capita income in one-parent families, half of them have less than $3,000.

It is that poverty gap that I am talking about. If those children had available to them resources, I am not at all sure that a day care industry might not develop.

Representative **Snowe**. But you do not advocate the Federal Government establishing a day care facility or a model day care facility; but you would advocate increasing tax credits. Would you support refundability?

I think that is an avenue in which the Federal Government can play a role.

Ms. **Bell**. I would absolutely support refundability. I would go beyond that. I would provide, if you like, a system of social insurance, child insurance. Have another payroll tax levied on everybody who has a child. Have the proceeds from that tax distributed immediately to all the people who are taking care of children and have those benefits taxable.

There you would get a redistribution of income to the children where it is needed and then the specific kind of care provided. You know, in one family it may be that there is an ideal situation for a grandmother to take care of children. In another family, it may be that there is an ideal situation for an elderly neighbor to take care of a family. And in a third situation the mother wants a structured institutional environment where she can leave her child.

But I think that Congress gets into trouble when they try to legislate specific things that go against people's preferences.

Representative **Snowe**. Well, I thank you very much, Ms. Bell. I wish we could discuss these issues even more extensively, but I do appreciate your testimony and being here today. Thank you.

Ms. **Bell**. Thank you.

We appreciate being here and we appreciate all the support that you have given in trying to expand the Dependent Care Tax Credit.

Representative SNOWE. Next, we have Ms. Helen Blank and the Child Care and Family Support of the Children's Defense League with us. We appreciate your being here this morning.

STATEMENT OF HELEN BLANK, DIRECTOR, CHILD CARE AND FAMILY SUPPORT, CHILDREN'S DEFENSE FUND, WASHINGTON, DC

Ms. BLANK. I wish I could share with you all this morning a beautiful movie that will be on television in the Washington area produced by John Marrow called "Your Children/Our Children Child Care". It illustrates the enormous problem many families face in meeting their child care needs.

As other witnesses have pointed out, women are working because of economic necessity. The average single mother earns less than $10,000. Half of all married women earn under $15,000.

The lack of affordable child care continues to keep these women in poverty. A recent Census Bureau survey confirmed a fact that we have known a long time. Thirty-six percent of low-income women and 45 percent of single women said that they would work if child care were available.

The Civil Rights Commission notes that it is lack of child care that keeps women not only from working, but from participating in training programs and from participating in federally supported education programs.

A mother in Washington State is not atypical. This woman has some alcohol problems. She had three children. She put her youngest, her 4-year-old, in foster care and she turned to Alcohol Anonymous and a local parent support group for help.

She pulled herself together and her youngest child returned home. Then the mother was accepted in a local beauty school. She could get no child care help because Washington State, which is not an atypical State, provides no child care support for mothers in training unless they are in high school.

She has appealed to legislators. She has appealed to the Governor. And she remains on welfare, not in school. This is not an unusual situation. There are mothers in Minnesota like her. There are mothers in New York. There are mothers in Colorado.

Child care costs are high whether you are in family day care or center day care. I had a cab driver the other night whose wife was trying to make a business as a family day care provider in Falls Church. He said, "Her rates are low. They're $65 a week. Her neighbors are charging $100 a week."

Costs for infant care in a center can run as high as $200 a week. We are talking about anywhere from $1,200 to $5,000. They naturally hit poor people the hardest.

What we are concerned about is that the costs of care are contributing to a two-tier system. Dr. Sheila Kamerman, a renowned child care expert, points out that 53 percent of children in middle or higher income families are in preschool, while only 29 percent of children of lower income families are in preschool.

A dependent care credit, which is our largest child care program—it is a $1.5 billion program—is not going to solve this discrepancy. The problem with the credit is that you have to have disposable income.

A woman with $10,000 would have to spend 30 percent of her income, or $3,000, to purchase center-based child care. That is three times as much as the 10 percent of income that is supposed to be reasonable to pay for child care.

We support refundability of the credit, but we are concerned that even with refundability, a woman earns, like most women do, $10,000 to $15,000, she must have direct support in paying for child care.

We were very concerned at CDF at what had happened to child care for low-income families because of the 1981 budget cuts. When every single program providing direct support for child care was cut in 1981.

The Title XX Social Security Block Grant which is the largest source of direct support for child care was cut 21 percent.

We surveyed 46 States and were dismayed at the results. Over 30 States are providing less child care in 1983 than in 1981.

16 States have cut child care more than the 21 percent cut in the overall block grant. 19 States have increased fees for services, reducing child care availability to low-income families.

Some States, like New York, have a county-based system. In New York, 9 counties in the past 2 years cut off child care support completely to low-income working families who are not on welfare. In Rhode Island, up until last summer only mothers on AFDC could receive child care assistance.

If a mother lost AFDC in Rhode Island, she simultaneously lost support in helping her meet her child care needs.

A number of States are providing child care through the AFDC program which also concerns us. We feel that this system fuels the discrepancy between the type of child care used by lower income and upper income families. With the disregard a family paid for child care, then subtracts that amount from its income. Supposedly, they receive a higher welfare benefit.

This system is fraught with problems. First, you have limited disposable income if you are on AFDC and are forced to choose between child care, health, food, and heat. Second, AFDC is based on a retrospective accounting system so that a family's child care costs are not reflected in their check for at least 2 months. Child care providers themselves earn minimal wages.

Low-income women actually subsidize the entire child care system. Two out of three center-based care givers earn incomes below poverty level; 87 percent of family day care providers earn the minimum wage. They cannot carry these women for 2 months.

Child care, under the disregard, is also limited to $160 a month. Even if a family had this much money to spend, it would not be able to buy center-based care in many areas.

The sole study conducted on the effects of the transfer from title XX to the disregard was done in Michigan. They found over a 17-percent drop in families using center-based care because of the disregard.

We have found thousands of children losing child care because of child care cutbacks.

In New York, alone, 8,400 to 12,000 children lost child care. Half of all children receiving title XX subsidized child care in Delaware lost child care. A quarter of all subsidized children in Virginia lost child care.

What is the result of this? Where are they going? We are very concerned. We see children moving to less supportive arrangements.

A study done in West Virginia is not unusual. 739 families lost care in 1981. The State did a study and received a remarkable response: 565 families returned the questionnaires.

Over 330 children have been forced to leave their caregiver. What does that mean? Three- and four-year-olds who are used to a supportive caregiver and their circle of friends who do not come from advantaged homes are forced to go where? Maybe down the street.

Seventy-nine children were caring for themselves. Caring for themselves is a term we hear again and again. A sixth of the children who lost child care in New York State are estimated to be caring for themselves.

Eighteen percent of the Massachusetts children who lost child care when their mothers lost AFDC, are caring for themselves. These children who are caring for themselves are not always 13. Some of them can be as young as 4 and 5.

In John Marrow's film, a 6-year-old is shown coming home from 3 to 6 p.m. to care for her 17-month-old sister. Siblings are staying home and coming home daily after school to care for younger children.

It is not a very pretty picture. Even before the title XX cuts, our child care system was inadequate. Families earning little more than poverty level wages could not get help in meeting their child care costs.

In Texas, the income eligibility for title XX is 47 percent of that State's median income, a little more than $11,000 for a family of four. In Iowa, it is worse; 38 percent or below of the median income.

Women turn down small wage increases because they will lose their child care support. Title XX policies for mothers in training are shortsighted. Women can get child care support for 1 year, but not the second year of a program. They can get child care support while they are in training, but as soon as they find a job there is no child care help available.

We do not support women. We give them a little bit, but not enough to make it. We expect them to be miracle workers. 20 States cut back their support to mothers in training in the last 2 years.

Waiting lists are long.

There is a particular gap at both ends of the age spectrum. The lack of infant care is notable. CDF conducted a project called Child Watch, a monitoring project on the effects of the budget cuts in collaboration with the Association of Junior Leagues and 10 other organizations.

Every single Child Watch site—and Child Watch was conducted in over 100 communities by over 1,500 volunteers—cited the lack of infant care and after-school care as two major gaps in their community. Infant care can cost as much as $200 a week.

We know that there may be 5 to 10 million children left alone after school and the effects of this on children we just do not know. We have a whole generation of children coming home frightened and alone; and spending too much time without adult support.

Our after school situation points out the discrepancy between high- and low-income children. Many programs have been started, but most of these have been initiated by middle-income parents.

Dade County began a countywide program last year. They expected 9,000 children, but only 6,000 enrolled. Why were no children enrolled in low-income communities? Because parents cannot afford the $15 a week.

What about the private sector? Is the private sector going to fill the gap? We believe that it never will be able to meet the need and that it is very important for people to be honest and to begin to peel away what the private sector is actually contributing.

Yes, the private sector can play a role; but let us look at what that role is. About 300 of the 600 companies who are involved in child care are hospitals. Those hospitals have trouble recruiting nurses. Banks have recruitment problems as do insurance agencies and other employers who have become involved in child care.

If you are a low-income woman, any company interested in recruiting you will be likely to be interested in your child care needs. Onsite centers can be an ideal situation. They provide parents an opportunity to visit their children at lunch and to check in on them during the day.

However, First Atlanta Bank and the Zayre Corp., that Ms. Alexander talked about this morning, whose representatives testified at a hearing that Senator Hatch held on child care in November do not have sliding scales. Many child care programs that are onsite also do not have such sliding scales.

This means the lowest income employees are frozen out of being able to use the child care center. Information and referral is a much needed service and private corporations are playing a major role in helping to start or fund information and referral programs. This does not help to solve the affordability problem.

If you cannot afford it, it does not help if someone can tell you where child care is available.

Another manner in which corporations are getting involved in child care fuels our concern about the continuing inequity in our child care system.

This is a time when employers are concerned about the size of their benefit package. They are discussing how to pare down health care benefits. They are not willing to give employees child care on top of existing benefits.

They are willing to provide help through a mechanism called salary reduction. If a family earns $100,000 and has a housekeeper who is paid $10,000, they can take the entire amount off their income and not pay taxes. This saves them about $5,000 and some Social Security. Their employer does not have to pay Social Security or unemployment on the $10,000.

Salary reduction helps families who earn at least $15,000 to $18,000. It is a method that is most helpful to people with highest incomes.

Fifty percent of American workers are employed in firms with fewer than 100 workers. They are not very anxious to provide new benefits.

Kristian Anderson did a study in New York City on 10 industries. After looking closely at what their child care plans were for the future, she found that they would slowly do a little more toward helping their employees meet their child care needs.

However, general conclusion was that employers should help make the case for expanded public subsidies.

We are an organization that is concerned about all children, but are particularly concerned about low-income children. We strongly feel there must be additional public dollars targeted for child care for these children. Given what the States are doing now, we need strong leadership from the Federal Government if we are not going to have a whole generation of children caught in this rapid change in demographics and growing up without adequate support or, worse yet, on their own.

[The prepared statement of Ms. Blank follows:]

PREPARED STATEMENT OF HELEN BLANK

Mr. Chairman, members of the Committee, I am Helen Blank, Director of Child and Family Support at the Children's Defense Fund. CDF is a national public charity created to provide a long-range and systematic voice on behalf of the nation's children. We are organized into four program areas: education, child health, child welfare, and child care and family support services. We address these issues through research, public education, monitoring of federal and state administrative and legislative policies and practices, network building, technical assistance to national, state, and local groups, litigation, community organizing, and formation of specific issue coalitions.

We are heartened that the Joint Economic Committee has provided a forum to discuss the child care problems faced by working mothers and preganant women, and appreciate the opportunity to testify.

The supply of child care lags so far behind the demand that more than one in six American children 13 years old and under, including many preschoolers, may be going without care. The need for infant care is steadily climbing as is the demand for after-school programs so that young children are not left waiting up to four hours a day in empty homes, in school yards, or on neighborhood streets while parents work. The labor force participation of mothers with children has increased dramatically in the last forty years. Only 29 percent of women with children under age 18 were in the labor force in 1947; in contrast, 60 percent of these women were employed in 1982--a threefold increase in about 30 years. As more and more parents of young children work, child care needs will become an even greater problem.

- 41 percent of mothers with children under one are in the labor force.
- Almost 46 percent of mothers with children under age three are in the labor force.
- Almost 57 percent of mothers with children ages three to five are in the labor force.
- By 1990 at least half of all preschool children --11.5 million--will have mothers in the labor force, as will about 60 percent--17.2 million --of all school-age children.

Child care is important to many families.

- Each year 600,000 babies are born to teenage girls. Without child care these young mothers will find it nearly impossible to return to school and complete their education.
- There are approximately 500,000 handicapped children under age six and 3.7 million handicapped school-age children in this country whose parents need adequate child care so they can work to help meet their children's special needs.
- There are over 600,000 abused and neglected children in America who need child care to protect them from harm and to prevent either a recurrence of abuse of the need to separate them from their families.

Mothers work out of economic necessity.

Close to one-fifth of all families with children under 18 years of age are headed by women, with no husband present. Among blacks, 44 percent of children live with their mother only. These female heads of households are the principal sources of support for their families. Married women are also essential providers of family income. Among married women who work outside the home, 27 percent have husbands who earn less than $10,000, 51 percent have husbands who earn less than $15,000, and 73 percent have husbands who earn less than $20,000.

The average single mother with children is far worse off earning only $9,495 in 1981.

As Harper's magazine describes it "Eighty percent of American working women are employed in traditional women's jobs. They spend their days waiting on tables, typing letters, emptying bedpands, and cleaning offices. On average, they earn just over $10,000 a year".

Lack of affordable child care is a major factor in keeping women and children in poverty.

A recent Census Bureau survey asked women who were not in the labor force whether they would work if child care were available at a reasonable cost. Forty-five percent of single women replied yes as did 36 percent of low-income women with family incomes under $15,000. The U.S. Commission on Civil Rights notes that the inability to locate affordable child care restricts not only women's employment and training opportunities but also their ability to participate in federally supported education programs. A number of studies have shown that approximately one of every five or six women is unemployed because she is unable to make

A mother in Massachusetts talks about the importance of child care to her ability to work:

> "Things are very difficult for me financially right now, but I'm glad I have not lost my day care totally, as I thought I might at one point last year. I need day care so I can work and attend school. Even though the incentive is not there to work, I felt trapped in the welfare system. Day care has given me the freedom to get an education so that I can get employment and some day get totally out of the welfare system."

Secretary Margaret Heckler shares this mother's sentiments': "Availability of adequate day care is an essential element if welfare mothers or others with young children are to work".

Child care help for mothers seeking to gain the training necessary to obtain jobs and income to move their families out of poverty is hard to find.

The following mothers are not atypical.

o A Washington State single parent mother with three young children ages eight, four, and one struggled to keep her family together and move off dependence on welfare. A year and a half ago, she placed her four year old in foster care because she could not handle his discipline problems. She turned to Alcoholics Anonymous to help her cope with her own alcohol program. A parent-aide volunteer group also helped her. She grew stronger and took her son back home. She also received a scholarship to attend a beauty school. However, the lack of child care for mothers on AFDC who are enrolled in training programs in Washington has not made it possible for her to take advantage of the scholarship. She sought to get child care help turning to legislators and others. However, the policy remains and she cannot move ahead to gain the skills she needs to move off dependence on welfare.

- Jane Anderson had a baby in the fall of her senior year in high school. She earned her high school diploma by attending special classes for adolescent parents that included a nursery for the babies. Jane married the baby's father but it did not work and Jane left home with her child.

  After a year of dependence on AFDC Jane decided to go to a school so she could eventually support her child and herself. In May she applied for an educational grant and got on the waiting list for child care assistance so she could go to school in September. When she checked on child care assistance in August she was told that funds were still not available. In November a staff member called Jane and told her funds were available. Jane reported that she had forfeited her educational grants because she could not pay for child care herself.

- Mrs. Brown's husband left her with two preschool children. She tried to find a job to support the children and herself. Because she lacked formal training or special skills the jobs open to her were at the minimum wage level. Her gross income would be $580 and her child care would cost $365. Taxes and work expenses would take up part of the remaining $215. She wants to work to preserve her self-esteem and dignity so she applied for child care assistance. Her name was added to the waiting list and she was advised that it might be a year before funds were available for her child care. Mrs. Brown then decided to go to school so she could increase her job potential. She needed child care assistance in order to go to school and, again, her name was put on the waiting list and she was told she may have to wait for a year. To survive financially, Mrs. Brown applied for and received AFDC payments of $500 a month.

Obviously, child care is a shared responsibility between families, the government, and the private sector. However, there is no doubt low-income women must have help from the government if they are to be able to purchase quality child care.

Average costs for child care are high.

Average Child Care Costs

Infant (under 2 years)

-- group or center: $3,000 - $5,000 per year

-- family day care: $1,800 - $3,500 per year

Child (3-5 years)

-- group or center: $2,200 - $3,200 per year

-- family day care: $1,200 - $2,200 per year

Child (school age)

-- $10 - $50 per week

These costs naturally hit the poor the hardest. More than one fifth of all children live in households with incomes below the poverty level. Among blacks, 40.7 percent of all families with children live below the poverty level. The poverty level of single-parent families headed by women is particularly high: more than 27 percent of white female-headed single-parent families are below the poverty line, as are a staggering 56.2 percent of black families headed by women alone.

These high costs of care are contributing to a two tier system of care for our youngest children.

According to Dr. Sheila Kamerman: "Enrollment rates of children in preschool programs are significantly higher when mothers have larger income and more education. Fifty-three percent of three to four years olds with median or higher incomes attended a preschool program in 1982 as contrasted with only 29 percent of those in lower-income families. Enrollment rates increase as mother's education levels rise and still more when mothers are employed. Not only is there growing use of preschool as a child care service for the three, four, and five year olds with working mothers, but there is an especially high use by affluent, educated, working families. Because most of these programs are private and relatively expensive, such high use by the more affluent raises serious questions about the consequences for those children in lower-income families without access to such programs whether or not their mothers work."

A Dependent Care Tax Credit, which is our largest child care program, costing almost $1.5 billion, and available to all families regardless of income can provide important help to lower-middle income families but it will not affect the discrepancy which is described by Dr. Kamerman. Families with limited disposable income are simply not the primary beneficiaries of this approach to subsidy. A woman earning $10,000 a year would have to pay approximately 30 percent of her income or $3,000 to purchase center based care. This three times as much as the ten percent of income that is considered reasonable for child care expenses. Young mothers enrolled in school or training programs with limited or no incomes cannot use a tax credit to help them meet their child care needs.

Existing child care supports for low-income families have been drastically cut.

At CDF, we were concerned about what was happening to child care support for families at the lower end of the economic spectrum. There are only two federal programs providing significant direct support for child care. The Child Care Food Program which funds meals to children in child care centers and family day care homes was cut by 30 percent in 1981. The Title XX Social Services Block Grant was reduced by 21 percent. We decided to focus on Title XX as the most important federal source of this support. We surveyed 46 states and the District of Columbia to determine the impact of the cuts in Title XX on child care. The results were alarming and contribute to the concern about a dual system of child care. The 21 percent in Title XX has triggered equivalent or greater cuts in state child care systems throughout the country:

- 32 States are providing Title XX child care to fewer children in 1983 than in 1981 and have cut their Title XX expenditures for child care. 16 States have cut Title XX expenditures for child care more than 21 percent.
- 31 states have accomplished reductions in the number of children served by making it harder for families to become eligible.
- 19 states have increased fees for services, imposed minimum fees or allowed copayments for Title XX child care.
- 24 states have reduced funds for training child care workers.
- 33 states have lowered their child care standards for Title XX programs.
- 10 states have shifted from providing child care to low-income working families on AFDC through Title XX to reimbursing these families for their child care expenses through AFDC's Title IV-A Child Care Disregard. However, this program is not equally beneficial to families because of many problems, including the fact that it forces very poor families to choose between paying a child care provider and basic necessities such as food, clothing and medical care.

A move by a number of states to support our lowest income children--those whose families need AFDC--through the Title IV-A Child Care Disregard is troubling.

Since 1981 Colorado, Hawaii, Kansas, Michigan, Montana, North Dakota, Rhode Island, South Dakota, Vermont, and Washington State have completely shifted funding for child care for employed families receiving AFDC from Title XX to AFDC's Title IV-A Child Care Disregard.

The way in which these two programs work, however, is very different. Under Title XX, the family's child care costs are paid for either through a contract or grant with a particular child care center or family day care home or through a voucher to the family. Under the Title IV-A disregard, the family must make its own child care arrangements and pay out-of-pocket for these services. The state then "disregards" these child care expenses (subtracts them from the family's earned income) when calculating the amount of the family's AFDC grant. This results in the family's receiving a larger AFDC grant, or "reimbursement" for its child care costs.

Unlike Title XX, the Title IV-A Child Care Disregard is open ended. The federal government will reimburse states for at least 50 percent of their costs for AFDC benefits regardless of how high the total cost climbs.

Thus, states presumably can use AFDC to pay for at least part of the child care costs of low-income working families on AFDC and free up their limited Title XX dollars for other services. This would appear to be a creative approach to child care financing.

However, there are serious drawbacks to the Child Care Disregard that result in the program's funding an unstructured and inadequate child care system for poor families.

The reasons that the Title IV-A Disregard does not work well for families are numerous. First, families are limited to a maximum child care disregard of only $160 a month per child, regardless of the cost of care. States can set even lower maximums for part-time care. This limits families' access to quality care that may actually cost far more.

Second, child care centers that receive Title XX funding must meet minimum state or other applicable standards regarding the quality of care they provide. Under Title IV-A, families must locate their own sources of child care, which often are not required to meet similar standards for quality.

Third, through the Title IV-A Disregard, families with exceedingly low incomes are reimbursed after the fact for child care expenses. Because a family's current AFDC benefits are calculated on the family's expenses for the previous month, these benefits may not reflect increases in current child care costs.

Often, a family's day care costs are not reflected in the AFDC grant until two months later. However, welfare families cannot afford to carry this expense in the interim. And many child care programs, which are also operating on limited budget, cannot wait one or two months for the family to receive its AFDC check and pay for services provided.

Fourth, AFDC benefits in most states are intolerably low, failing to provide even a maximum level of decency. A family's out-of-pocket costs for child care must compete with other, even more basic needs, such as heat, food, and clothing. Because the $160 a month cap on child care deductions does not reflect the real cost of care--which often ranges between $2,200 and $3,200 a year for center-based programs in urban areas--a family must be willing to make up the difference if it chooses care in a child care center. Poor working families on AFDC simply cannot afford to make up this difference. Only four states, New York, Colorado, Wisconsin, and Iowa, make Title XX funds available to supplement the AFDC money a family has available for child care expenditures.

Finally, because of the method in which the Child Care Disregard is used to calculate a family's AFDC grant, these families can end up with less available income than working AFDC families who receive child care support through Title XX. The Child Care Disregard is subtracted from a family's earned income before the $30 and 1/3 disregard (which increases the size of a family's AFDC grant by disregarding $30 and 1/3 of the family's earnings before the size of the grant is calculated). Because a family's child care expenses are subtracted from its earnings first, the size of the $30 and 1/3 disregard is lowered. If, on the other hand, the family's child care costs were paid through Title XX, the family could receive a larger $30 and 1/3 disregard. (One of the Reagan Admministration's most harmful changes in AFDC was to totally eliminate the $30 and 1/3 disregard for working families after they have been on AFDC for four months.)

Many state officials express concern that funding child care through Title IV-A results in an in adequate catch-as-catch-can system for low-income children. "Cost of Day Care in FY '82: Savings of the Transfer to IV-A," a study by the Michigan Department of Social Servces, is the sole formal analysis on the effects of the switch to funding child care with Title IV-A rather than Title XX. It reveals a decline in the use of child care centers and a corresponding increase in the use of family day care homes. The number of AFDC families using center care dropped from 21.2 percent of the total in April 1981 to 5 percent in April 1982.

The number of children who have lost child care are disquieting.

- Between 8,400 and 12,000 New York state children have lost day care purchased for them by public funds between 1981 and 1983. The day care losses have directly hit the working poor. Since 1981, nine counties have totally eliminated Title XX subsidies to these families. There are now 34 counties in New York with no subsidy for non-AFDC working families.
- Illinois has gone from serving 28,100 children to 18,000.
- Delaware has gone from serving 2,039 children to 995.
- Virginia has gone from serving 19,505 children to 15,681.
- Pennsylvania has gone from serving 23,700 children to 21,786.
- Nevada has gone from serving 879 children to 457.
- Iowa has gone from serving 1,729 children to some 1,200.
- New Hampshire has gone fom serving 4,000 children to 3,000.
- West Virginia has gone from serving 5,200 children to 3,900.

Budget cuts fuel the development of a two tier system.

Federal, state, and local budget cuts have placed great strains on child care centers and family day care homes already receiving fragmented and inadequate support. In order to keep their doors open, some child care centers have begun to serve fewer low-income children and families. New policies have eliminated child care for these families or resulted in fees that poor families cannot pay. Centers have switched to a greater number of high income families who can pay. A state day care administrator comments: "Programs are taking fewer subsidized children and more whose parents can afford to pay privately for their care. Instead of taking ten state-funded children, they are taking two." This pattern can be seen across the country.

- In January 1980, two child care centers in Black Hawk County, Iowa, served a total of 42 fee-paying children and 58 poor children subsidized under Title XX. In November 1982, the centers served 60 children whose parents paid full costs and only 42 children who received Title XX assistance.
- In Wilmington, Delaware, the Salvation Army opened a center to serve the children of working poor families. Recently, it faced the prospect of closing because of dwindling enrollment. About two-thirds of its children used to be subsidized by Title XX; now only about one-third receive subsidies.
- A Grand Rapids, Michigan, day care center used to serve 55 children, all of whom received public subsidies. Now the center serves 31 children, none of whom receives a subsidy.

Children are bing shifted to less supportive child care arrangements.

The results of federal, state, and local cutbacks in child care from women who are struggling to improve their family's situation through employment or training are extremely painful.

Children are being left alone or have been switched to less familiar, and often less supportive, child care arrangements.

- o A survey of selected families indicates that the loss of subsidy in New York state has resulted in increased numbers of children left alone. A state study of Westchester County concluded that the loss of day care increased risk of maltreatment or neglect. Some parents chose to leave work altogether and to go on welfare rather than to neglect their children. Many struggled to pay the fees of centers, often unsuccessfully. Others placed children into the care of older siblings. Still others were forced into inadequate babysitting arrangements where nutrition, stimulation, and child development were lacking. For some children, arrangements were sporadic, resulting in harmful shifting from caretaker to caretaker. It is estimated that at least one-sixth of children affected by funding cuts are regularly left unsupervised.

- o Low-income working families lost day care in Monroe County in 1981, 293 families earning an average of $10,000 were affected. A survey conducted to determine the effects on families and children two years after the cuts revealed that 59 families began receiving AFDC after the subsidy cuts; 33 percent of all children were currently in at least one child care arrangement which causes parents to worry; and almost one-third of the respondents reported using methods to juggle finances including not buying adequate food, clothing or medicine for the family.

- o In 1981, 739 West Virginia families lost child care. Some 565 of these families responded to a questionnaire regarding their current child care arrangements. A total of 391 children had experienced some type of change in child care arrangements. We need to look at this change form the viewpoint of two, three, and four year olds who are forced to leave familiar caregivers and friends. Seventy-nine children were caring for themselves.

- In Pittsburgh, a combination of Pennsylvania policies--including tighter eligibility criteria and fees for services--resulted in over 200 children losing child care services, 10 percent of the total number being served. Some parents quit work. One parent commented, "I'm forced to leave my child in the care of an unlicensed babysitter whom I don't trust as much as the licensed day care provider." Another mother says, "My children are no longer with me because I couldn't find day care. The children are with their grandparents." Many older children have been forced to stay home from school to care for preschool brothers and sisters.

Federal and state cutbacks in Title XX are damaging a patchwork child care system that was never adequate.

- Even before 1981, families earning little more than poverty-level wages were not eligible for child care assistance in many states. For example, Texas limits child care subsidies to families earning 47 percent or less of the state's media income, or $11,006 for a family of four. While Iowa limits help to families earning 38 percent of their median income which is below the poverty level.

- In many states, inflexible income guidelines regarding who can receive Title XX child care penalize parents who experience small wage increases. Mothers refuse promotions because even a minimal pay increase can lead to the loss of a $2,500 a year child care subsidy.

- Although most families using Title XX child care are headed by single women, short-sighted state and county rules limit child care for mothers enrolled in school or training programs, denying them the opportunity to gain the skills necessary to move out of poverty. There are very few child care programs targeted to adolescent mothers. Both mothers in high school and those in training programs face losing their child care support once they finish schooling or training or worse yet, policies which do not even allow support to enable them to complete school or finish a training program.

- Child care is subsidized by the extremely low wages of workers. Two out of three center-based caregivers earn wages below the poverty level while 87 percent of family day care workers earn below the minimum wage.

- Eligible Title XX families compete for limited slots. The few states that maintain a formal waiting list for Title XX-funded child care highlight the unmet need. Massachusetts has a waiting list of 6,000 children; Florida, 4,000; Georgia, over 5,000. And these states do not keep count of the mothers who fail to sign up on the waiting list but walk away in frustration and anger. The situation of families who wait is often desperate:

  > A child care program located in a suburb outside Philadelphia serves about 382 children funded by Title XX. It's average waiting list is in excess of 100 children. Parents must wait well over a year to receive help. One mother on the waiting list uncomfortable with the haphazard child care arrangements she had to make, quit her job and turned to welfare. Another leaves her six and seven year old home alone after school.

There is a particularly large gap in child care services at two ends of the age spectrum.

The lack of infant and after-school care has been highlighted by almost every one of the Child Watch sites a monitoring project on the effects of the 1981 budget cuts on children organized by CDF in collaboration with the Association of Junior Leagues. The dirth of infant care is highlighted by the fact that women with children under age three are the fastest growing part of the labor force. Infant care is not only in short supply but is often prohibitively expensive because of the attention newborns require. Center based care can run as high as $200 a week.

Few parents have the option of paid paternity leave.

Alfred Kahn and Sheila Kamerman at the Columbia School of Social Work have conducted extensive cross-national research which highlights the paucity of resources available to parents with infants. Unlike 75 other countries, the United States has no statutory provision that guarantees a woman the right to leave from employment for a specified period, protects her job while she is on leave and provides a cash benefit equal to all or a portion of her wage and while she is not working because of pregnancy and child birth. Only about 40 percent of working women in the U.S. are covered even for a limited period of time under private disability insurance while only five states offer state disability benefits.

The after-school situation has reached crisis proportions.

Despite the fact that over 60 percent of the mothers of school-age children work outside the home, there is scant attention paid to the child care needs of children once they enter kindergarten. As many as five to ten million children may be left home in the early morning hours and return after school to darkened houses or hang out in empty playgrounds. No one knows the exact figure because parents are hesitant to admit that they leave their children alone. When a large-circulation family magazine conducted a survey on this issue, 23 percent of working parents who had the option of remaining anonymous admitted that they regularly left their children alone. Thirty-three percent of the parents were comfortable with their after-school arrangements, even if the children were not actually alone. A U.S. News and World Report story referred to Houston officials' estimates that between 40 and 60 percent of that city's children are on their own until parents return from work... Estimates by an elementary school teacher in Indianapolis are that 80 percent of her school's children go home to empty houses while a sixth grade teacher in Maryland claims that 24 of her 28 students are latch-key children.

In two major cities--Detroit and Newark--fire department officials say that one in six calls received involve children alone in a house.

The damage that can result are not only physical. Psychologists are deeply concerned about the damaging effects of the pre-mature granting of responsibility to very young children caring for themselves or for even younger siblings. Children are also developing a sense of alienation, loneliness and fear. One-third of the school children in New York City state that they are afraid to go outside their apartment.

Although almost 1,000 programs may now offer after-school child care, the need is enormous. After-school child care may also be primarily a service geared to middle-income families. Unless a subsidy is available, lower-income families do not have the surplus income to pay the extra $15 to $25 a week for these programs. One hundred-ten of Dade County's public elementary schools are running self-supporting after-school programs. But only 6,000 children out of a projected 9,000 are attending. Enrollment is lowest in the districts poorest schools where parents cannot pick up the $15 a week per child enrollment fee. There is no sliding scale which takes income or number of children in the family enrolled into consideration. We hear similar reports from child care providers who have unsuccessfully attempted to set up school-age programs in low-income neighborhoods without subsidies to families.

The expanded private sector role in child care, accompanied by an expanded public role or millions of lower and lower-middle income families and children will be left without adequate child care support.

To date, the majority of employer-sponsored child care projects have been concentrated in industries such as hospitals, banks, and other industries which view child care as an incentive in the recruitment of workers in demand occupations. Hospitals make up almost half of the over 600 employers who provide some child care assistance to families. The remaining 300 employers offer benefits ranging from noon time seminars on parenting to a child care center at the work place. While services such as Information and Referral are key to a viable child care system, they do not offer lower-income families the dollars they need to purchase adequate child care.

When child care is provided at an on-site center, its costs can be beyond the reach of lower income employees. Senator Hatch held a hearing this November on private sector initiatives. The two companies testifying highlighted the problem. Both First Atlanta Bank and the Zale Corporation do not offer employees a reduced rate through a sliding scale. This serves to deny lowest income employees the benefits of the on-site center.

For many firms employing low skilled workers and suffering from the effects of the recession, new benefits are the last issue to be brought to the bargaining table. In fact, employers are increasingly offering child care assistance through a salary reduction plan which is again most beneficial to higher income employees. Families must earn at least $15,000 to $18,000 to gain any benefit from such an approach while those in the highest tax brackets stand to gain the largest benefit.

Given the nature of employer involvement, it is clear that those working parents currently benefiting from these initiatives are usually not those with the greatest need. According to Dana Friedman, a well-known child care expert: "Because there is little demand for unskilled labor, employers of this population have not felt the need to spend resources to provide child care for their employees. Furthermore, 50 percent of American Workers are employed by firms with fewer than 100 workers. Small firms usually cannot afford experimentation unless positive outcomes can be reasonably expected."

When Kristin Anderson surveyed ten industries in New York City examining the attitudes and practices of 80 city employers and five unions for the Center for Public Advocacy Research, she discovered that "on the whole, companies are cautious about proceeding and waiting to see what other companies in their field do".

She concludes that child care is not a simple problem for business to address:

- "Even when a company is aware of employee difficulties, it is not always clear what it should do that is appropriate in terms of employees' needs and equity for all employees;
- As an issue, child care has to overcome many overt and covert barriers on the part of both employers and employees before it becomes an area of corporate action;
- It is not easy to separate child care problems from other employee difficulties and research has not convincingly documented a clear-cut impact on productivity or job turnover from provision of a child care benefit or service;
- Parents make the decisions about how their children are cared for, and since parents have a range of preferences and considerations, a company must provide a range of services within its program;
- A child care program must fit the corporation's own needs, financial situation and corporate personality;
- Employees' child care arrangements are tied to the existing systems that provide, regulate and subsidize child care--public and private, neighborhood and center-based--so employer actions must also be taken in consideration of these larger, societal systems."

Ms. Anderson finally states "that there is little reason to believe that employer initiatives will replace, or even signigicantly supplement the continuing need for publicly-subsidized child care for low-income parents in the next five years".

We agree strongly with the report's final recommendation that: "It is critical that the business community plan a role in impressing on federal, state, and city government that it is in businesses' best interest for government to continue and expand subsidized child care services. The role of business in providing child care assistance will continue to expand, but public and private complementarity is essential if New York City is to have a child care system that equitably addresses the child care needs of all working parents".

There is no easy way out of the enormous dilemma that we face both in terms of accessibility and affordability of adequate child care. However, there is no doubt that lower-income families must have help in meeting their child care needs. This assistance must come from public dollars so that working families are not forced to leave their children in child care situations which not only offer them an inadequate pre-school experience but worse yet are potentially harmful.

Representative SNOWE. Thank you very much. I think you have underscored many of the problems very well concerning child care and prohibiting women from getting into the work force or letting the children stay home alone, taking care of themselves.

It seems to me that that has become endemic in recent years.

First of all, so that I have an understanding, is it now an option for the States to provide under title XX social service block grant? I mean, they can in effect discontinue day care support?

Ms. BLANK. Title XX has few requirements. It is an important pot of money because it provides States with money for their whole range of social services and they do not have to provide day care support.

For example, Oregon does not use any title XX money for child care.

Representative SNOWE. Is that the only State that does not provide any support for child care under title XX?

Ms. BLANK. California, which has the best child care system in this whole country and the most complicated, actually bought out of title XX and they use only State funds. Rhode Island, which had a $3.5 million child care program out of title XX, did cut it back to $500,000 overnight. But when they saw the disastrous effects they began to put back some more.

I believe Alaska does not use title XX for child care; but, again, they have a significant amount of State funds targeted to child care. But what they provide varies enormously.

For example, Iowa used to serve 3,000 children in 1980. Now they serve 1,000 children. Many of them, because child care is not a mandated service, chose to pull back after the cut.

It is tough because it is a block grant. You can fight, which we did. We got a $200 million restoration. Pennsylvania day care folks worked hard for the increase and then they did not get a nickel of the increase for child care at the State level.

Representative SNOWE. What about the AFC title IV disregard? That has to be included under the provisions of $160 a month that is allowed for child care support.

Now, does a State have an option to go either way or neither?

Ms. BLANK. A State can choose to use disregard to fund its AFDC population and the reason States switched in 1981 is because they had less title XX money and disregard is open-ended. So Michigan, which had a $30 million day-care program, cut it to a $4 million day-care program.

Their day-care administrator was not happy. They really did not have a choice because their economic situation was so poor, but they switched their whole AFDC population, as did Colorado, to the disregard.

As I said, the disregard is a flawed approach to helping low-income families.

Representative SNOWE. Well, it still does not provide—even allowing up to $160 a month is still not sufficient to provide for probably the average costs of day care.

Ms. BLANK. It will not pay for center-based care, but most women do not pay that much. If you are earning $8,000 you cannot take that out of pocket to pay for care. Four States will supplement the $160.

But most families do not use the full amount because they just simply do not have the disposable income to take that out of pocket; and there is another bizarre complication in the way AFDC benefits are calculated, which means that sometimes, if you are using the disregard, you can end up with a smaller benefit than if you were getting title XX depending on where you subtract your day care costs.

Representative SNOWE. You also mentioned in your testimony that a number of centers are reducing the number of subsidized children and going for the private paying children. What happens to these subsidized children?

Is it as you suggested, in most cases they just do not have any kind of supervised day care?

Ms. BLANK. What happens is that the center does not deliberately switch, it is just that the group they were serving loses eligibility.

Representative SNOWE. I see.

Ms. BLANK. If they are in a neighborhood where they can switch, they switch. Then these families go down the street. They use a neighbor. They leave their children by themselves.

Most women when they are interviewed who have lost child-care subsidies are not satisfied with their new arrangements.

Representative SNOWE. It is because they have been dropped, but not because the center is trying to have a better balance between subsidized children versus private paying children.

Ms. BLANK. No. The center just has no choice.

Now, some centers who are in neighborhoods where they cannot do this simply close; but others will switch their population. A center in Grand Rapids, for example, had 55 subsidized children and now it has 31.

Representative SNOWE. Is it also a State's option to provide child-care support to a woman who is on AFDC seeking training assistance?

Ms. BLANK. Every State has a different policy for mothers who are enrolled in training. What you see through the years is that title XX has not grown because title XX is now a $2.7 billion and it was at $2.5 million in 1976 when it was first authorized. So we have not added very much to the pot of moneys that subsidizes child care.

The States begin to tighten how much support they will provide you if you are a mother in a training program. It used to be a lot of States would provide you support for a 4-year college experience and then they cut it to 2 years and then they cut it to 1 year, and some have cut it to none.

Representative SNOWE. You also mentioned in your testimony that child care should be a shared responsibility among the Government and the family and the centers. Could you estimate what you think each percentage should be or should contribute?

Ms. BLANK. I think it does depend on parental income and I think the sliding scale concept is a good one that most States have. If you have limited income, it is useful if you get a direct subsidy to meet your child care needs and as your income goes up we think it is important for you to gradually pay more and more of your child care.

What is important is the continuity of care. Massachusetts is the only State in the country that says once you are in a child-care slot we will keep you there. We will increase the cost, but we will never tell you that you have to pull your child out no matter what happens to your income.

What we find, as I said, is that mothers get a little bit more and then they lose all help whatsoever.

Representative SNOWE. Just one other question. If Congress could take one step in improving child-care support, what would you recommend?

Ms. BLANK. I tend to focus on the block grant now because it provides direct support. We would like to see the dependent care credit expanded. That sliding scale can help a lot of moderate income families who need help.

I mean, I think that, again, we do not provide enough support to families to help them truly make it; but I guess I would keep restoring a block of funds to the title XX Social Services Block Grant. Maybe you could take an extra little one and pass the school age child care bill since after school is such a crisis; but since that is only $30 million maybe we should look at Barbara Kennelly's bill in addition which would raise title XX to $300 million bringing it back to what it would have been in 1981.

Representative SNOWE. Thank you very much. I appreciate it.

Ms. Blank.

Representative SNOWE. That was excellent.

Next we have Ms. Sarah Shed who is the director of the division of welfare employment for the Maine department of human services. Again, I want to welcome you, Sarah. I appreciate you being here today.

STATEMENT OF SARAH K. SHED, DIRECTOR, DIVISION OF WELFARE EMPLOYMENT, MAINE DEPARTMENT OF HUMAN SERVICES

Ms. **Shed**. I am here to describe the program that Maine has developed to assist women on welfare in making the transition from welfare to work. I would also like to describe how Federal policies adversely affect the ability of women who receive AFDC to participate in the labor market.

Finally, I would like to urge your support for continued WIN and WIN Demonstration funding and continued authorization for WIN demonstration programs.

What I am going to say may be summarized as follows. The changes in AFDC regulations resulting from the 1981 Omnibus Budget Reconciliation Act, particularly the curtailment of work incentives, have made labor force participation and life in general much more difficult for all families on AFDC. However, the same act also gave States their first real opportunity, through the WIN demonstration option, to decide how best to meet the employment and training needs of women on welfare.

While this in no way compensates for the removal of work incentives from the AFDC program, the WIN demonstration does allow States to develop employment programs that are responsive to locally identified needs.

The changes in AFDC policy have made it harder for welfare women to leave poverty. I have cited two studies, one from Maine, in my prepared statement that show how welfare recipients, most of whom are women, are worse off since the AFDC work incentives have been eliminated. I will return to this and describe two particular problems.

I will focus first on the positive aspect of the act, creation of the WIN demonstration program.

This option became available at a time when Maine was already undertaking a critical examination of the relationship between welfare work and what has come to be known as the feminization of poverty. In 1981 a report entitled "Women, Work and Welfare" was released by the Work Opportunities Committee.

The committee included representatives of numerous agencies and organizations from both private and public sectors. The report called for major changes in the State's approach to work and welfare.

The same year our State legislature enacted the Job Opportunities Act. This law mandates coordination among the Departments of Human Services, Labor, and Education on behalf of AFDC recipients. The law establishes an AFDC Coordinating Committee consisting of the commissioners of the three departments and an advisory council to the committee.

A second premise to the law is that a small number of new jobs developed in Maine should be targeted to those on AFDC. So the law links the efforts of the State development office and the State finance authority to the identification of jobs for welfare clients.

The law also enacted an apprenticeship program specifically for AFDC recipients.

As a result of the Work Opportunities Committee recommendations and the Job Opportunities Act, Governor Brennan decided on the WIN demonstration option as an alternative to the WIN program. The demonstration program that we developed is the welfare employment education and training program, or the WEET program.

There are three major differences between the WIN program and WEET. First, as with all WIN demonstrations, responsibility for the program lies with the welfare agency alone. In contrast, responsibility for WIN programs is shared by both the Departments of Labor and Human Services.

We have found that the elimination of this dual administration has greatly increased our efficiency and decreased our administrative costs. In spite of an overall decrease in funding due to a Federal budget cut in 1981, the WEET program has increased the amount of money available to client supportive services, such as child care and transportation.

The second major difference is the emphasis that WEET puts on education and training in addition to job placement, unlike the WIN program which is focused on immediate job placement. We accomplished this through coordination with other programs and by maximizing the use of all other available resources.

It is also possible because we are not subject to the constraints imposed by the WIN allocation formula. Performance based allocation formulas can be very desirable, but the measures of performance must be carefully considered.

A number of studies suggest that employment and training programs often have the greatest net positive impact on those participants who are hardest to serve. If employment and training programs are to avoid the creaming phenomena, targeting those clients who are most employable and therefore most likely to find employment on their own, then it is essential that performance programs do not force programs to cream.

This has been a problem in WIN and it is clearly going to be a problem under the Job Training Partnership Act.

The WEET Program is still held accountable for the number of entered employments and the welfare savings it achieves; but beyond these we can develop our own measures of success. These include providing services to clients with severe barriers to employment; increasing participation in a wide range of education and training programs; and increasing the number of quality jobs, jobs which offer the potential for permanent separation from welfare.

The third difference is the ability we have gained to leverage our WEET funds with other resources. WEET is able to contract with other agencies for a very wide range of services. Some provide direct client services and others are more developmental and will yield results over the long term.

In this way we are able to involve more agencies and bring more resources to bear on the problems confronting women on welfare. For example, in Washington County, one of our State's poorest counties and a county which was never served under WIN because it was classified as remote, we were able to combine forces with four other agencies to provide a very successful 10-week prevocational remedial education program for AFDC recipients at the local vocational technical institute.

WEET did not have any staff stationed in the county, yet we were still able to contribute in three ways: One, Washington County has a shortage of licensed day care homes. WEET provided a grant to the local CAP agency to run an onsite day care center at the vocational school for program participants. AFDC recipients were utilized as day care aides at the center and, at the same time, they received training to set up their own day care home;

Two, WEET recruited participants for the prevocational program and provided other supportive services in conjunction with the local CETA office; and

Three, WEET provided assistance to the program through a contract with the State's Displaced Homemakers' Program.

Displaced Homemakers provides technical assistance to us on the development and implementation of prevocational training programs throughout the State. The day care center remains in place providing day care for those AFDC clients who enrolled at the school after completing the prevocational program.

As another example, one which is more developmental in nature and reflects our ability to use funds flexibly, we have funded an economic development specialist position in our State development office. This person works with new and expanding businesses who receive State assistance to coordinate their training and financial needs with the training, referral, and eventual hire of our clients.

Within our own administrative office, we have created the position of manager for job creation and targeting. It is the responsibility of this position to job develop on a statewide basis; to establish relationships with the State's largest employers; to increase the hiring of AFDC recipients within State service; and to work with the State development office and the Finance Authority of Maine.

A third example of the program's ability to leverage and collaborate is our relationship to the Job Training Partnership Act providers. WEET has been able to, in effect, extend the very limited supportive services which are available under JTPA by providing these for clients who are jointly enrolled in both programs.

We are also operating an AFDC grant diversion program in Maine. Close coordination with JTPA is an essential ingredient in this project.

While it is too soon to judge the effectiveness of grant diversion, per se, the project has already been a success in creating a way in which both programs can work together in a synergistic fashion.

The WEET program has not discovered the solutions to the problem of welfare to work because there is no single solution. Our porgram has been characterized by a willingness to try a number of approaches; to be innovative; to take risks. We have support from our State legislature, which has set the direction of our program; but it is the WIN demonstration structure that allows us to fullfill State intent.

The Reagan administration has proposed eliminating both the WIN Program and the WIN demonstration programs as it has done for the past 2 years. I would urge you to continue funding at an adequate level.

Equally important, WIN demonstration programs are presently limited to 3 years. For a number of States, including Maine, these 3 years are completed this fall. Legislation is being introduced now which will make WIN demonstrations a permanent option of the WIN Program.

I again strongly urge your support.

In conclusion, I would like to bring your attention to two particularly irksome Federal policies and then to share with you what we have learned during the past 2 years.

The WEET Program requires that those clients for whom school is an appropriate choice must make use of Pell grants and other sources of financial aid. However, USDA counts this financial aid as income and accordingly sharply reduces the family's food stamp allotment.

This is a classic catch-22. It is totally indefensible public policy unless it is the intent of public policy to keep the poor in poverty.

The second counterproductive policy I must mention is, in part, a consequence of the 1981 AFDC policy changes. Most women who leave welfare due to earnings lose medicaid coverage after 4 months. Many of the jobs that welfare women get have either no medical insurance at all, or it is inadequate and expensive.

Because wages are generally low, it is often impossible to buy insurance or pay for medical expenses out of pocket. For many women, it is irresponsible parenting to jeopardize their children's health by giving up medicaid.

We need to develop transitional health insurance coverage that will provide protection during the first year off welfare if private insurance is not available.

As to what we have learned during our short history, first, women on welfare want to work. Nearly half of the participants in the WEET Program are volunteers. Many of them have young children and are young themselves.

If real assistance is available AFDC recipients will avail themselves of it.

Second, more attention needs to be paid to empowering women, teaching decisionmaking, goalsetting, risktaking, assertiveness, career exploration; all of these in addition to the more usual emphasis on job finding and job keeping skills. We have found that increased attention to prevocational training and remedial education pays off.

Third, skill training and education are necessary to enable women to leave the secondary labor market and break the revolving door of deadend work and welfare.

Fourth, employment and training programs need to establish better links with job creation and job targeting efforts, and better relationships with each other. There are resources in all States that can be utilized toward these ends.

It is a great deal of work to coordinate effectively; it can be enormously frustrating; and it requires constant attention, but it pays off.

We are doing what we can within the State of Maine and we are beginning to see results, but we need continued support from the Federal Government. We need Federal authorization to continue what we have done, we need adequate funding, and we need changed those Federal policies that are obstacles to the goal that Federal and State governments share: That is, enabling women on welfare to fully participate in the labor market.

Thank you.

[The prepared statement of Ms. Shed follows:]

PREPARED STATEMENT OF SARAH K. SHED

Introduction

Members of the Joint Economic Committee, my name is Sarah Shed, and I am Director of the Division of Welfare Employment within the Maine Department of Human Services. I am here to describe the program Maine has developed to assist women on welfare to make the transition from welfare to work. I would also like to testify on how federal policy affects the ability of women who receive Aid to Families with Dependent Children (AFDC) to participate in the labor market. Finally, I would like to urge your support for continued WIN and WIN Demonstration funding, and continued authorization for WIN Demonstration Programs.

Overview

What I have to say may be summarized as follows: The changes in AFDC regulations resulting from the 1981 Omnibus Budget Reconciliation Act (OBRA), particularly the curtailment of work incentives, have made labor force participation, and life in general, much more difficult for all families on AFDC. However, the same Act also gives states several options for designing their own work programs for AFDC recipients, including a provision that allows WIN Demonstration programs as an alternative to WIN. This provision has meant that states have been given their first real opportunity to decide how the employment and training needs of women on welfare can best be met. While this in no way compensates for the removal of work incentives from the AFDC regulations, the WIN Demonstration option does allow states to develop employment programs that are responsive to locally identified needs.

Removal of Work Incentives from AFDC Regulations

The changes in AFDC policy have made it harder for welfare women to leave poverty. These changes have also made it more difficult for those of us who are charged with operating employment and training programs for these women. A study by the University of Southern Maine tracked the impact of the 1981 AFDC policy changes on families within the State.[1] Most families in the study who were dropped from welfare did manage to remain off, but nine months after the changes were implemented most were worse off than when on welfare. They had lower incomes, more debts and serious problems meeting medical expenses. A report from the University of Chicago estimated that in 24 out of 48 states studied, employed AFDC recipients who left welfare due to earnings would bring home less than those who remained on welfare.[2]

Maine's Decision to Implement a WIN Demonstration Program

In September of 1981, Governor Joseph E. Brennan decided on the WIN Demonstration option as an alternative to WIN. We were fortunate in that this option became available at a time when the State was already undertaking a critical examination of the relationship between work and welfare, and what has come to be known as the feminization of poverty. In June of 1981, our State Legislature enacted the Job Opportunities Act. This law is based on the premise that the State should place greater emphasis in preparing AFDC recipients for quality jobs, "with the goal of enabling them to become self-sufficient and to eliminate their dependence on public assistance." The law requires the Departments of Human Services, Labor and Education, including vocational technical institutes and the University of Maine, to concentrate on the coordination of "available resources and institutions" on behalf of these recipients.

A second premise of the Job Opportunities Act is that a small number of new jobs developed in Maine should be targeted for AFDC recipients. The Act links the State's job creation efforts, through its State Development Office and the Finance Authority of Maine, to the identification of jobs for AFDC recipients. The law also enacted an apprenticeship program specifically for AFDC recipients.

Also in 1981, a report entitled Woman Work and Welfare was released by a group known as the Work Opportunities Committee. The group was coordinated by the Department of Human Services and it included representatives of numerous agencies and organizations from both the private and public sectors. The report called for major changes in the State's approach to work and welfare.

Differences Between WIN and WEET

Dual Administration:

The WIN Demonstration program that was developed in response to these initiatives is the Welfare Employment Education and Training Program, or the WEET Program. The major differences between the WIN program and WEET are as follows: As with all WIN Demonstrations, responsibility for the program lies with the welfare agency. In contrast WIN programs have a dual administrative structure, the program is shared between the Department of Labor and Human Services. We have found that the elimination of dual administration alone has greatly increased our efficiency and decreased our administrative costs. In spite of an overall decrease in funding, a result of a federal budget cut in 1981, the WEET program has been able to increase, in both absolute and relative terms the amount of money available for direct client services: child care, transportation, etc., and the money available for contracts with other service providers.

Education and Training:

The second major difference is the emphasis that the WEET program puts on education and training in addition to job placement. This is possible because we put a lot of effort into coordination with other programs and maximizing the use of all other available resources. It is also possible because we are not subject to the constraints imposed by the WIN allocation formula.

Performance Based Allocation Formulas:

Performance based allocation formulas can be very desirable, but the measures of performance must be carefully considered. A number of studies suggest that employment and training programs often have the greatest net positive impact on those participants who are hardest to serve. If employment and training programs are to avoid the "creaming" phenomenon, targeting those clients who are most employable and therefore most likely to find employment on their own, then it is essential that performance standards don't force programs to cream. This has been a problem in WIN and it is clearly going to be a problem under the Job Training Partnership Act.

The WEET Program is still accountable for the number of entered employments and welfare savings it achieves, but beyond these we can develop our own measures of success. These include providing services to clients with severe or multiple barriers, increasing participation in a wide range of education and training programs, and increasing the number of "quality jobs," jobs which offer the potential for permanent separation from welfare.

Leveraging Funds:

A third difference is the ability we have gained to leverage our WEET funds with other resources to meet the goals of our program. WEET is able to contract with other agencies for a very wide range of services, some provide direct client services and others are more developmental and will yield results over the long term. In this way we are able to involve more agencies and bring more resources to bear on the problems confronting AFDC recipients.

For example, in one of our State's poorest counties, a county which was never served under WIN because it was classified as "remote," we were able to combine forces with four other agencies to provide a very successful ten week prevocational/remedial education program for AFDC recipients at the local vocational technical institute. WEET did not at the time have any staff stationed in the county, yet we were able to contribute in three ways. Washington County is very rural and has a shortage of licensed day care homes. WEET provided a grant to the local CAP agency to run an on-site day care center at the VTI for program participants. AFDC recipients were utilized as day care aides and at the same time they received training to set up their own day care homes. WEET also recruited participants for the prevocational program and provided other supportive services, in conjunction with the local CETA office. WEET also provided assistance to the program through a contract we have with the State's Displaced Homemakers Project. Displaced Homemakers provides technical assistance on the development and implementation of prevocational training programs to the WEET Program. The day care center remains in place at the VTI, providing day care for those AFDC recipients who enrolled at the VTI as a result of the prevocational training.

As another example, one which is more developmental in nature and reflects our ability to use funds flexibly, WEET has recently funded an Economic Development Specialist position in our State Development Office. This person works with new and expanding businesses who receive state assistance to coordinate their training and financial needs with the training, referral and eventual hire of our clients.

Our contract specifies that there be a minimum number of "first referrals" for our clients for jobs created in this fashion.

Within our own administrative office we have created the position of Manager for Job Creation and Targeting. This was in response to the legislative expectation established in the Job Opportunities Act, which encourages job targeting and linkages with economic development. It is the responsibility of this position to job develop on a statewide basis--to establish relationships with the State's largest employers, to increase the hiring of AFDC recipients within state service and to work with the State Development Office and the Finance Authority of Maine.

A third example of the program's ability to leverage and collaborate is our relationship to the JTPA service deliverers. WEET has been able to, in effect, extend the limited supportive services available under JTPA by providing these for clients who are jointly enrolled in both programs, but it is in WEET's grant diversion program that coordination with JTPA has become particularly fine tuned.

Grant Diversion:

Maine's grant diversion project, Training Opportunities in the Private Sector (TOPS), is a three phase model which culminates in an on-the-job training position funded through AFDC grant diversion. The first two phases are designed to prepare women to be successful in an OJT position. There is a month of prevocational training, followed by up to 12 weeks of field training, followed ultimately by unsubsidized employment. The respective roles of WEET and JTPA are, in general, as follows: WEET staff select TOPS clients, and we have structured the selection process to avoid creaming. JTPA delivers the prevocational training, WEET places participants in field training, and JTPA does most of the OJT development. It is too soon to judge the effectiveness of grant diversion per se, but the TOPS program has already been a success in creating a way in which both programs can work together in a synergistic fashion.

Need for Federal Support

The WEET program has not discovered the solution to the problem of welfare to work, because there is no single solution. The program has been characterized by a willingness to try a number of approaches, to be innovative, to take risks. We have support from our State Legislature, which has set the direction of our program, but it is the WIN Demonstration structure that allows us to fulfill State intent.

The present Administration has proposed eliminating both the WIN program and the WIN Demonstration programs, as it has done for the past two years. I would urge you to continue funding at an adequate level. Equally important, WIN Demonstration programs are presently limited to three years. For a number of states, including Maine these three years are completed this fall. Legislation is being drafted which will make WIN Demonstrations a permanent option of the WIN program. I again strongly urge your support in continuing WIN Demonstrations.

Problem Policies

In conclusion I would like to bring your attention to two particularly irksome federal policies and then to leave you with some of the learnings we have acquired during the past two years.

Financial Aid and Food Stamps:

The WEET program requires that those clients for whom school is an appropriate choice must make use of PELL grants and other sources of financial aid. However, the United States Department of Agriculture counts this financial aid as income, and accordingly reduces the family food stamp allotment, usually in a quite drastic fashion. This is a classic "catch twenty two." It is totally indefensible public policy unless it is the intent of public policy to keep the poor in poverty.

Loss of Medicaid:

The second counter productive policy I want to mention is in part a consequence of the 1981 AFDC policy changes. Most women who leave welfare due to earnings lose Medicaid coverage after four months. Many of the jobs that welfare women get have either no medical insurance at all, or inadequate, expensive insurance. Because wages are generally low, it is often impossible to buy insurance or pay for medical expenses out of pocket. For many women it is irresponsible parenting to jeopardize their childrens' health by giving up Medicaid. We need to develop transitional health insurance coverage for welfare recipients that will provide protection during the first year off welfare if private insurance is not available or is inadequate.

What We Have Learned

As to what we have learned during our short history: First, women on welfare, in general, want to work. Nearly half of the participants in WEET are volunteers, many of them have young children and are young themselves. If real assistance is available, AFDC recipients will avail themselves of it. Second, more attention needs to be paid to empowering women: teaching decision making, goal setting, risk taking, assertiveness, career exploration, all in addition to the more usual emphasis on job finding and job keeping skills. We have found that increased attention to prevocational training and remedial education pays off. Third, skill training and education is often necessary to enable women to leave the secondary labor market and break the revolving door of dead-end work and welfare. Fourth, employment and training programs need to establish better linkages with job creation and job targeting efforts, and better relationships with each other.

There are resources in all states that can be utilized toward these ends. It is a great deal of work to coordinate effectively, it can be enormously frustrating and it requires constant attention, but it pays off.

We are doing what we can within the State of Maine, and we are beginning to see results. But we need continued support from the federal government: We need federal authorization to continue what we have begun, we need adequate funding, and we need changed those federal policies that are obstacles to the goal that federal and state governments share, enabling AFDC recipients to leave welfare and fully participate in the labor market.

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(1) University of Southern Maine, Human Service Development Institute, "Tracking the Impact of Federal and State AFDC Policy Changes on Families in Maine," June 1983.

(2) LBJ School of Public Affairs, "Work Programs for Welfare Recipients in the 80's: A Preliminary Assessment" (Draft), August, 1983.

Representative **Snowe**. Thank you very much, Sarah. I thank you for coming here today from Maine to share with us how the WEET program is working in Maine. By all accounts, it seems to be working very well. I am very impressed with it and how you have put it together and tailored it to Maine's needs.

From your experience, have other States, your counterparts, been involved in similar demonstration programs; are they more tailored to their States; and have they been successful as well?

Ms. **Shed**. I am not totally conversant with the results coming out of other States. I would say that I think there are around 20 States that have chosen the WIN demonstration option.

I think it is fair to say that Maine represents one end of the spectrum in terms of the attention that we have put on education and training as opposed to immediate job placement. All the programs are being studied now and it is really too early to do a comparison among States.

Representative **Snowe**. It seems like the WEET Program in Maine has all the essential components, though, for being a successful program, and that because of the WIN Demonstration Program you were allowed the flexibility, I gather——

Ms. **Shed**. That is right.

Representative **Snowe** [continuing]. In doing a number of things that otherwise, under the WIN Program, you would not be allowed to do.

How much money does the State legislature provide in support of this program?

Ms. **Shed**. Well, because of our Job Opportunities Act and because of the fact that we have State support for what we are trying to do, the usual match for WIN is 10 percent State, 90 percent Federal; but our legislature, when we came into being, increased our funding to match us at about a 30-percent rate, which was a support. They also were trying to make up for the Federal budget cut which hit us very severely in 1981.

Representative **Snowe**. How many AFDC recipients do you serve as a percentage of those who participate in your program?

Ms. **Shed**. Well, there are about 17,000 AFDC recipient families in Maine. In any one year, we see about 5,700.

Representative **Snowe**. About 5,700? Do you know how many eventually become self-supporting, for example? Do you have a followup program to determine if they manage to become self-supporting?

Ms. **Shed**. We try to do followups on our women that we place for up to a year. Unfortunately, our computer system is not up to the task yet. We are putting that information in, but we are not getting it back out. So it is hard to be able to say at this point.

I hope next year we will be able to have a good figure on that.

Representative **Snowe**. You mentioned in your testimony, as well, that you are trying to assist them in getting quality jobs. Could you define quality jobs?

Ms. **Shed**. Fringe benefits, obviously, are very important, the medicaid that I mentioned earlier; opportunities for advancement is another; wages, of course, quality jobs are found in what is called the primary labor market as opposed to the secondary labor market which is more deadend, low paying jobs.

Representative **Snowe**. I found it interesting and I was pleased you mentioned Washington County because I did encounter one woman down in Washington County not too long ago who had many of the problems that you are suggesting overall with AFDC recipients. The fact is she was working, but she had to travel, I think, it was 28 miles round trip daily and had no ability to get child care. I mean, there was no day care available in Washington County.

Any that had been available was being used. So all slots were filled.

Therefore, she was having difficulty not in making ends meet, but she found a babysitter which was very expensive and of course the traveling to and from work made her situation very difficult, in fact discouraging because she just felt that there was no sense working as she was doing better being on AFDC.

She was losing her medicaid, that is what it was. So that alerted me to the problem. I had heard it time and again; the fact that we need to do something here.

I think with the loss of medicaid it does make it even more difficult and less of an incentive for women to seek employment.

The other issue you mentioned concerning student loans, I absolutely agree with you. There is a bipartisan commission that has been established in Maine by Congressman McKernan and myself. We are traveling around through the different areas in the State.

That issue was cited over and over again; the fact is that many women who were on AFDC were not eligible to get training and their student loans were accounted for as income. So it was really a deterrence for many of these woman to seek training or improve their educational opportunities.

So I am introducing a bill to exclude student loans as being included as income because I do think it is very important. Or another option would be to have educational expenses included under the earned income disregard under AFDC or something to that sort similar to what we do with child care expenses.

But clearly those are two identifiable problems. I think we created that reverse incentives; well intentioned as far as eliminating medicaid after awhile and trying to improve the program and encouraging women to work, but there is no way.

As this woman suggested to me, there is absolutely no way that she could afford private insurance. She found herself in what you have described as a catch-22 situation.

Ms. **Shed**. I think to the extent that we can get small employers to provide health insurance at a reasonable cost and other benefits—because that is where many of the people that we are trying to serve end up, with small employers; it is not the big corporations——

Representative **Snowe**. Absolutely.

Ms. **Shed** [continuing]. We need to be able to help them to provide what they need to stay on the job.

Representative **Snowe**. Well, I would like to see employers, for example, provide child care benefits as a benefit to their employees, be they men or women.

The problem is that the need is there and I think that should be a logical option. So I certainly agree with you insofar as that is concerned.

As you were mentioning, also, about support of the WIN program—and certainly I have supported it in the past and will continue to do so because I do think it is a valuable program—we want to encourage welfare recipients to work. What better way than to assist them in seeking employment and improving their skills, which is so necessary today for many of the women attempting to enter the work force.

So I definitely would agree with you. I think Congress has shown support time and again for that program.

One other issue I noticed in your testimony as well. You suggested that, concerning WEET, approximately 40 percent of all WEET participants are volunteers whereas under the traditional WIN program only 15 percent were volunteers. Can you account for the difference? Has it been more encouraging for the AFDC participants to participate in your demonstration program versus the original WIN program?

Ms. SHED. Yes. There are two things, really. One of the things we did when we went to the WIN demonstration is we restricted the geographic areas in which people were required to register. There are two primary criteria that determine mandatory status. There is geography and if the youngest child is over 6. By restricting the area we served on a mandatory basis, we increased the number of volunteers.

We started small and served fewer people with more resources. Then as the word got out that you could really get something there at our program other than signing a piece of paper and waiting around for nothing to happen, word of mouth got people starting to come in. People understood there was child care assistance available if you had kids that were not in school yet.

So it has just grown. Each month we have a larger percentage of volunteers coming in.

Representative SNOWE. That is a good example. Thank you very much, Sarah, for being here and for taking the time out to come down. I appreciate it very much. Thank you.

We now have Ms. Avril Madison who is the executive director of the Wider Opportunities for Women, Inc., located here in Washington, DC.

We are glad to have you here with us this morning.

STATEMENT OF AVRIL J. MADISON, EXECUTIVE DIRECTOR, WIDER OPPORTUNITIES FOR WOMEN, INC., WASHINGTON, DC, ACCOMPANIED BY CINDY MARANO, WOW'S NATIONAL WOMEN'S WORK FORCE NETWORK CODIRECTOR

Ms. MADISON. Thank you very much, Representative Snowe. I am very happy to be here this morning.

With me is Cindy Marano, on my left, who is the codirector of WOW's Women's Work Force Network, which is a network of approximately 140 independent women's organizations that are located in 35 States and serve about 250,000 women around the country.

Two of the members of the network, I want to say, are from the State of Maine.

Representative SNOWE. Oh, that is great.

Ms. MADISON. One of them is the WEET Program.

Representative SNOWE. Oh, is that right. What a coincidence.

Ms. MADISON. It is very difficult to be in the last position on an agenda such as this because many of the points have already been covered, but I was very pleased to sit here this morning because the testimony was excellent and I think it covered many of the points that are very important to the economic self-sufficiency of women and their transition into the workplace.

I am going to be speaking this morning about the importance of the issues of women's transition from work without pay or with limited pay to economic self-sufficiency. I will be speaking both as an advocate and as a program operator.

I wanted to thank you again for recognizing the importance of women's transition from work without pay or with limited pay to economic self-sufficiency, for holding these hearings on the role of women in the labor market, and for inviting me to testify.

Wider Opportunities for Women has worked for 20 years to have public policymakers recognize that women's economic needs and the vital talents that women can bring to the economy are issues of national priority and issues that require policy analysis and policy change.

WOW has examined women's needs, developed model programs to address these needs, worked at the policy level to determine how women's needs can be met through systemic change and worked with employers to develop a match between women's skills and the needs of the labor market.

Over the past 20 years WOW has worked with thousands of women in the DC metropolitan area as they have made the transition from jobs with limited future to jobs with excellent entry wages, good benefits, and career potential.

We have worked closely with AFDC recipients, with disabled women, with displaced homemakers, with women of color, with women offenders, and with women who simply choose to go to work for pay. We have also worked with female dislocated workers whose jobs have become obsolete because of technological change or cuts in human service.

As a result of this work, we have learned much about the transition of women into the paid labor force and continue to learn more about this process and the difficulties that women face almost daily in making the transition. I would like to share with you some of the most important findings of our years of experience; and I will be brief on these because many of them have been covered in previous testimony.

Women who work in the home as mothers and homemakers work. Their work is unpaid, provides no individual or family benefits should the homemaker become disabled, and provides no economic security for the homemaker's future. Whether we are discussing middle class affluent homemakers or mothers who receive aid to families with dependent children, in an economic sense the work all homemakers do is unrecognized in national policy.

The replacement value for homemaking in the United States is now valued by the Department of Labor at $18,000 annually, but no wage is systemically recognized in terms of benefits, Social Security, pensions, insurance settlements in divorce, or as an equivalent for women who try to make the transition into the paid labor market.

Employers, economists, policymakers, and legislators systematically discriminate against the homemaker and, by so doing, the labor market operates as though former homemakers have never worked, have gained no skills, are entering the labor market for the first time and are thus eligible only for entry level wages.

This policy problem underlies our entire discussion of women's transition to economically viable work. In many other nations the work of mothers who are alone and in poverty is not perceived as a dole or shameful waste. Ms. Carolyn Shaw Bell dealt with this earlier, and I could not agree more with her comments on this matter.

It is seen as a national investment to keep families intact and to provide opportunities for families to make the transition to economic self-sufficiency. We must take a hard look behind our policies of welfare, marital property rights, pension, Social Security, employment and training to ferret out the inconsistencies and ambivalence in our national rhetoric symbolized by Mother's Day compared with the realities of older women ending their lives in poverty because of a lifetime of unrecognized and economically unrewarded work.

Our second finding is that despite many changes in the social mores of our society, women in America today still carry the major responsibility and burden of childrearing. This issue has been dealt with very effectively I think by many of the previous speakers; but I do feel and second the notion that there is a need for a national policy on this issue. It is very necessary.

Our third finding is that in considering the increase in families headed by women who are providing for the survival needs of their families—many of these women on public assistance—we provide no incentive for women to become economically self-sufficient when we penalize their family's already minimal incomes for the women's attempts to train to gain entry level jobs and to job hunt.

We must look beyond our temptation to lecture such women to pick themselves up by their bootstraps as they seek alternatives to welfare among policy inconsistencies which penalize them for attempts to better their situation.

Our fourth finding is that sex, race, and age discrimination continue to exist and to impede the transition of women into the paid labor market. Women continue to face sexual harassment and sex segregation both in the workplace and in training. For example, public education systems continue to channel women into training which is traditionally female and traditionally low paying.

As a result of their low paid and primarily sex segregated participation in the work force, women frequently end their lives in poverty. We do not believe that sex, age, and race discrimination are behind us. Women's lives tell us differently.

We do believe that there is, perhaps, a shift in attitudes about EEO in the workplace and that there are some employers who are doing an excellent job in hiring, training, promotion, and paying equitable salaries to women. Such employers are to be congratulated.

Some have gone a long way and their work needs to be highlighted.

A fifth finding is that because of sex discrimination, the unrecognized work of women in the home, the disproportionate financial detriment of marital dissolution to women, occupational segregation and issues related to childrearing, employment and training, and public assistance programs must be designed for women, not adapted from programs for male breadwinners.

Some policymakers respond by saying there are already too many target groups and how can we meet the needs of them all? But it is difficult to give credence to this message when we are discussing more than half of the population and a population soon to make up half of the paid labor force.

Moreover, it seems cost inefficient to develop programs for so vast a national population which fail to meet their needs. In the past two decades many demonstration projects have shown the way to successfully move women from economic dependence to economic independence.

While 20 years of experience in this area is just one resource, nearly every State has had one or two programs designed to meet women's needs in making a transition to economic self-sufficiency. Yet in designing policy there is a reluctance to accept that men and women have different needs in vocational education, in employment and training, in welfare to work programs, and in job creation.

It is a constant struggle to have these needs recognized and to achieve other than passing reference to them in key legislation, small set-asides, or waivers of requirements that keep women underserved. A more indepth and comprehensive policy approach is needed.

The letter of invitation that I received asked for information about programs which can successfully move women into jobs in which they can support themselves and their families. Although there are many examples of such programs among the affiliates of WOW's national network of women's employment programs, the Women's Workforce Network, I would like to use the last few minutes of my time today to discuss the one that I know best, the WOW Program.

WOW has been working to assist women making the transition from welfare to paid work for more than a decade. In 1982, WOW undertook a 5-year comprehensive employment and training demonstration program which specifically targets minority single mothers, and it is this program that provides much of the basis for our comments here today.

WOW's single parent employability and education development project, SPEED for short, is one of six such demonstration projects around the country which were selected and funded by the Rockefeller Foundation as part of its national effort to improve the economic status of minority female-headed families.

The goal of the project is to place graduates in jobs paying at least 30 percent above the minimum wage or into academic or vocational training for jobs that pay well and have a good fringe benefit package. SPEED provides participants with a comprehensive program of educational and skills assessment; job-related instructions in math, communication, and science; work readiness training; skills training in electronics and electromechanics for participants with the interest and aptitude; child care; and other supportive services, job placement, and a year of followup.

With 1 year of the program behind us, in fact 18 months of the program behind us, WOW has much to share that is relevant to the concerns of the committee. First, WOW's Program served 271 women in the Washington, DC, metropolitan area, in the first program year. The women served fell into two groupings: women between the ages of 25 and 45 with considerable work experience at low wage levels who had become unemployed during the recession, had skills but had faced multiple unsuccessful job interviews and were unable to find paid work; and younger women with no paid work experience, inadequate educational skills, and little awareness of how to plan for their economic futures.

Among all of the women served, educational skill levels bore little or no relationship to their educational attainment.

One-quarter of the women tested were found to have less than fifth grade reading and math skill levels, although the majority had completed school.

The need for supportive services is another key finding. WOW's staff encountered significant problems in meeting trainees' needs because of diminished human services, especially subsidized child care, housing, transportation and public assistance-related services such as medical assistance, food stamps, and legal services.

Although the project provides information and referral to subsidized child care and some scholarship aid for child care, it does not pay stipends. Consequently, more than 10 percent of those who enrolled in the program needed part-time jobs in order to participate. However, the part-time employment frequently threatened the continued participation of trainees in SPEED because the training is intensive. It is from 9 a.m. to 5 p.m. daily on a 5-day-a-week basis.

Because it interfered with their work schedule was the most common reason for program noncompletion. Others were related to health, financial, food, housing, and transportation crises which could not be handled on top of rigorous training schedules.

When the trainees were able to cope with family crisis and found needed support services, they were able to complete the program and gain paid employment averaging $6 per hour at job entry. Some women enrolled in more extensive training. A list of jobs and entry wages acquired in the first two quarters of the program is appended to my prepared statement.

All of WOW's training examines the advantages and disadvantages of nontraditional employment, job trends in the 1980's, and assists trainees in making economically viable occupational choices. The most common finding of staff working with the women enrolled in these programs was the deep need for individualized assistance.

The fifth finding of WOW's project related to child care WOW's project funded by the Women's Bureau of the U.S. Department of Labor to coordinate with the Rockefeller project, provides child care information, referral, counseling, consumer education and parenting skills workshops and employer outreach. It has identified critical gaps in child care services for the women served in the project.

First, WOW documented a significant reduction in publicly supported child care openings as a result of Federal budget cutting which has already been discussed. For more than 30 percent of the participants, only time-consuming personal advocacy and WOW subsidies made it possible for women to attend training who were otherwise unable, because of these service gaps.

In addition, WOW has found immense service gaps or very limited care for children who need care after school, for short term or emergency care, for subsidized care that would extend during a trainees' job hunt, and for care available in areas accessible through affordable transportation.

To intervene in this situation WOW is developing an information and referral system on all local child care options so that trainees can make the best child care arrangements possible without months of trying to ascertain what is possible.

The overall finding of the project, however, is that the current system is labyrinthian and grossly inadequate. It is currently a public/private partnership, but more public and private support is needed if we wish single heads of households to make the transition to work.

The Rockefeller Foundation grant award stipulates that the six grantees must match the annual grant dollar for dollar or with inkind services which enhance the program from local government or community groups. This matching requirement has effectively leveraged significant public/private investment and partnerships in the program.

It is clear from our own experience with SPEED that there is significant interest in addressing the needs of women who must make the transition to paid work. It is also clear that the needs are complex and require significant resources to be addressed effectively.

A list of the participants investing in the WOW project to meet these needs in the DC area is attached to my prepared statement.

Yet WOW has been able to serve less than 20 percent of the women who have contacted the program for assistance. Most are unable to solve the family income and support service problems which keep them isolated, in constant crisis, and on public assistance.

With the barriers and principles outlined in the beginning of my testimony and the findings of WOW's SPEED Program in mind, I would like to close the formal portion of this testimony and respond directly to any questions you may have. Again, I commend you for the seriousness and thoughtfulness with which you have approached this complex issue, and I thank you for the opportunity you have given me to speak with you today.

I offer the resources of myself and my staff at WOW as you continue in your efforts to clarify and to find policy issues which secure economic self-sufficiency for women workers.

[The prepared statement of Ms. Madison, together with attachments, follows:]

PREPARED STATEMENT OF AVRIL J. MADISON

ECONOMIC SELF-SUFFICIENCY FOR WOMEN: A National Priority

Good morning. I'd like to thank the Committee for recognizing the importance of women's transition from work without pay or with liimited pay to economic self-sufficiency, for holding these hearings on "The Role of Women in the Labor Market", and for inviting me to testify. Wider Opportunities for Women has worked fro twenty years to gain the recognition of public policy makers that women's economic needs and the vital talents women can bring to the economy are issues of national priority and issues that require policy analysis and policy change. WOW has examined women's needs, developed model programs to address these needs, worked at the policy level to determine how women's needs can be met through systemic change, and has worked with employers to develop a match between women's skills and the needs of the labor market.

Over the past twenty years, WOW has worked with thousands of women in the D.C. metropolitan area as they have made the transition from homemaking to paid work, from public assistance to paid work, and from jobs with limited futures to jobs with excellent entry wages, good benefits, and career potential. We have worked closely with AFDC recipients, with disabled women, with displaced homemakers, with women of color, with women ex-offenders, and with women who simply choose to go to work for pay. We have also worked with female dislocated workers whose jobs have become obsolete because of technological change or cvuts in human services.

As a result of this work we have learned much about the transition of women into the paid labor market, and continue to learn more about this process and the difficulties women face in making the transition almost daily. I would like to share with you some of the most important findings of our years of experience.

THE MYTH

Each day when we pick up a newspaper, a magazine, or listen to radio, television or other media we are assailed with news of another women's "first"--the first astronaut, or Supreme Court justice, or nuclear engineer, or vice president of major corporation. Simultaneously, we are assailed with news of a plummeting unemployment rate, a new age of high tech employment, and news of a private sector which is poised ready to pick up the reins and assume leadership in solving our nation's human resources problems. I use the term "assail" not to denigrate our very real accomplishments or to dampen our collective hopes for a more productive national future, but to point out and underscore the masking effect this media presentation has on real working women's lives.

The truth is that women continue to be more likely to be unemployed, under and marginally employed, RIFF'd, downgraded, layed-off, and more likely to be underrepresented in higher paid jobs than their male counterparts. When the woman is also a person of color, her chances of being in one of these categories rises exponentially. And, although we owe much to private sector innovation in training, child care, etc., the federal government is still the primary protector and promoter of women's economic self-sufficiency in the market place. I won't use up my time today reciting the vast statistical evidence which supports these statements. Much of it has been presented here today, and it is information with which I believe you are all familiar. (Should you require it, though, I refer you to the Issue Brief, "Feminization of Poverty", prepared by WOW and attached to my written comments.) Today, I wish to spend my time discussing with you the barriers which I feel have worked to hamper women's full integration into the work force, to identify some of the innovative programs which are working to eliminate and help women overcome these barriers, and to make some recommendations for future action by the Joint Economic Committee.

I believe it would be helpful for me first of all to tell you just who I mean when I use the term "working woman". Although WOW considers the unpaid labor done by women in the home, on which the nation's economy rests, to be work, much of my testimony will discuss that population of women who wish to enter or are already in the paid labor market. This working definition includes those women who are highly educated, white collar professionals, those in semi-skilled and traditionally female jobs, and those moving from structural unemployment into entry level technical and nontraditional occupations. With such a broad spectrum to look at you might believe the various members of this group have little in common. But, simply by virtue of their being women, they share a great deal. Briefly, I would like to allude to several of their common barriers:

1. Women who work in the home as mothers and homemakers work. Their work is unpaid, provides no individual or family benefits should the homemaker become disabled, and provides no economic security for the homemaker's future. Whether we are discussing middle class, affluent homemakers or mothers who receive Aid to Families with Dependent Children (AFDC), in an economic sense, the work all homemakers do is unrecognized in national policy. The replacement value for homemaking in the United States is now valued by the Department of Labor at $18,000 annually, but no wage is stemically recognized in terms of benefits, Social Secutiry, pensions, insurance, settlements in divorce, or as an equivalent for women who try to make the transition into the paid labor market. Employers, economists, policy makers, and legislators systematically discriminate against the homemaker and by so doing the labor market operates as though former homemakers have never worked, have gained no skills, are entering the labor market for the first time and are thus eligible only for entry-level wages. This policy problem underlies out entire discussion of women's transition to economically viable work. In many other nations, the work of mothers who are alone and in poverty is not perceived as a "dole" or a shameful waste of human resource dollars. It isa seen as a national investment to keep families intact and to provide opportunity for families to make the transition to economic self-sufficiency. We must take a hard look behind our policies of welfare, marital property rights,

pensions, Social Security, and employment and training to ferret out the inconsistencies and ambivalence in our national rhetoric symbolized by Mother's Day and the realities of older women ending their lives in poverty because of a lifetime of unrecognized and economically unrewarded work.

(Appended is a sheet of statistics on older women's incomes, which documents the end result of women's problematic transitions between home and paid labor.)

2. Despite many changes in the social mores of our society, women in American today still carry the major responsibility and burden of childrearing. Therefore the transition from homemaking and full-time motherhood to paid work cannot be considered a comparable effort to moving ment from unemployment to jobs in the workforce. In developing policy and programs to help women, particularly single parents, women on AFDC and Displaced Homemakers, make the transition into the workplace there must be a clear recognition that child care is a key factor influencing the employability of such women. The cost of child care and the ability to make satisfactory arrangements for care undeniably iimpact on how the transition to economically sustaining work will be made--or indeed whether it will be made at all.

Our nation's system of child care has enormous gaps, which have grown wider with federal budget-cutting. Employment and training programs, the Work Incentive Program, the Job Corps, and other programs must address the child care needs of their participants is they hope to be successful in stimulating their transition to economic self-sufficiency. In an even more basic sense, in order to maintain family security as women become half of the paid labor force by the end of this decade, the United States must design a comprehensive national system of child care, supported jointly by government at all levels, private industry, national voluntary efforts, and the families who can affort to pay. Only limited headway has been made in this direction. Currently, publicly-assisted child care has been cut back. Employer child care involvement touches only 600 of the nation's employers. A small percentage of foundation funds are targeted for this purpose. And most families of women who work outside the home struggle to pay for inadequate, inconvenient, and often unsafe services. A national policy is critical.

3. Considering the increase in families headed by women, providing for the survival needs of their families keeps many women on public assistance. We provide no incentive for women to become economically self-sufficient when we penalize their families' already minimal incomes for the women's attempts to train, to gain entry-level jobs, and to job hunt. We must look beyond our temptation to lecture such women to "pick themselves up by their bootstraps", as they seek alternatives to welfare among policy inconsistencies which penalize them for attempts to better their situation. To ask a woman to further divide her welfare check to attend training so that she may gain an entry-level, minimum wage job with no benefits, in which her children will lose medical assistance is not even rational. If we wish to stimulate economic self-sufficiency in such families, we will

need to look instead at models like the apprenticeship system or public service employment, where a mother can earn wages while she learns a marketable skill. Many proposals have come forth recommending that wages or allowances be provided as an incentive for public assistance recipients to train for jobs with a future. Some believe these proposals continue a "dole" attitude. WOW's experience demonstrates that unless the costs to a family of its mother participating in training are covered, most women in poverty will be unable to enter or remain in training. This really means that the programs designed to meet the needs of women on public assistance are inaccessible to them. Moreover, in some states welfare recipients are financially penalized for participating in skills training programs because such programs mean they are "unavailable" for paid work. Such policies are both punitive and philosophically inconsistent.

4. Sex, race, and age discrimination continue to exist and to impede the transition of women into the paid labor market. Equal employment opportunity law and affirmative action statutes and regulations, while historically new, have brought about changes for women and girls. They have existed less than two decades in the face of centuries of discriminatory practices in the labor market and an occupationally segregated work place. Recently, a top level Department of Labor official informed a WOW staff member that sex discrimination in the labor market has disappeared--that employers now agree that equal employment opportunity policy is the "best policy". WOW's experience is that the principle of EEO policy is at least discussed with favor

today but that in practice discrimination is alive and well--in fact it has been boosted by high unemployment and greater competition for fewer jobs. Across the country, the 250,000 women served in the employment programs affiliated with WOW's Women's Work Force Network continue to be paid less than men, (Now $.62 to the $1.00 for white women, the ration of Black and Hispanic women's earnings to white men is much less), to have trouble gaining jobs equal to those that men with less education acquire, and to face barriers in entering nontraditional fields.

They continue to face sexual harassment and sex segregation both in the work place and in training. For example, public education systems continue to channel women into training which is traditionally female and traditionally lower paying. Finally, as a result of their low paid and primarily sex segregated participation in the work force, women end their lives frequently in poverty. We do not believe that sex, age, and race discrimination are behind us. Women's lives tell us differently. We do believe that there is, perhaps, a shift in attitudes about EEO in the workplace, and that there are some employers who are doing an excellent job in hiring, training, promoting, and paying equitable salaries to women. Such employers are to be congratulated. Some have gone a long way, and their work needs to be highlighted. We feature the work of such employers in our newsletter, Connections, which we have appended to our testimony. Others have recognized that their discriminatory practices must now be made less visible. Still others are uncertain how to rid themselves of a history of discrimination. Increasingly we hear members of Congress ponder ways in which to bring about a less combative process for eliminating sex discrimination. We would prefer such a route if it can be made effective. Yet to date as a nation we have been unable to design a process to eliminate discrimination which is honored by private industry or private contractors without a financial disincentive to discriminate. In fact, employer organizations now argue that they no longer discriminate and should be freed from such limitations. Even our government tells us--in the case of Title IX--that it should be legal to discriminate in certain cases. Yet even in the construction industry, where women continue to be greatly underrepresented, construction contractors freely admit that without the press of federal regulations, women would not have been accepted and that, should those regulations be removed, it would be easier and more profitable to return to a fully male workforce. How paperwork is handled, how an employer demonstrates a "good faith effort", and how affirmative action is implemented can of course, be areas open for discussion and could perhaps be made less combative in implementation. But that the federal government must have a role, must enforce EEO law, and must provide a principled climate that speaks loudly that discrimination will not be tolerated--even if it is profitable--is basic to improving women's economic self-sufficiency. Such efforts do not have to pit industry against the government or the affected class. If firmly held to, such efforts can bring about the very partnerships that policy makers and WOW find mutually interesting. WOW is currently working with very progressive members of the construction industry, unions, and women to demonstrate in the D.C. metropolitan area that such partnerships are possible. The result? The Metropolitan Women's Construction Trade Foundation (materials appended). It is a preapprenticeship program for women, supported through monies from the industry, from unions, from foundations--and targeted toward women. Before affirmative action, such a partnership would not have been possible. As a result of federal rules and regulations, it is working.

5. Because of sex discrimination, the unrecognized work of women in the home, the disproportionate financial detriment of marital dissolution to women, occupational segregation, and issues related to childrearing, employment and training and public assistance programs must be designed for women--not adapted from programs for male "breadwinners". Some policy makers respond by saying there are already too many "target groups" and how can we meet the needs of them all. But it is difficult to give credence to this message when we are discussing more than half of the population, and a population soon to make up half of the paid labor market. Moreover, it seems cost inefficient to develop programs for so vast a national population which fail to meet their needs. In the past two decades, many demonstration projects have shown the way to successfully move women from economic dependence to economic independence. WOW's 20 years of experience in this area is just one resource. Nearly every state has had one or two programs designed to meet women's needs in making a transition to economic self-sufficiency. Yet in

designing policy, there is a reluctance to accept that men and women have different needs in vocational education, in employment and training, in welfare to work programs, and in job creation. It is a constant struggle to have these needs recognized and to achieve other than passing reference to them in key legislation, small "set asides", or waivers of requirements that keep women underserved. A more in-depth, and comprehensive policy approach is needed.

Your letter of invitation asked for information about programs which can successfully move women into jobs with which they can support themselves and their families. Although there are many examples of such programs among the affiliates of WOW's national network of women's employment programs, the Women's Work Force Network, I would like to use the last few minutes of my time today to discuss the one that I know best, the WOW Program.

THE WOW PROGRAM

WOW has been working to assist women making the transition from welfare to work for more than a decade. In 1982, WOW undertook a 5-year comprehensive employment and training demonstration program which specifically targets minority single mothers, and it is this program that provides much of the basis for our comments here today. WOW's Single Parent Employability and Education Development Project (SPEED for short) is one of six such demonstration projects around the country which were selected and funded by the Rockefeller Foundation as part of its national effort to improve the economic status of minority female-headed families. The goal of the project is to place graduates in jobs paying at least 30% above the minimum wage or into academic or vocational training for jobs that pay well and have a good fringe benefit package.

SPEED provides participants with a comprehensive program of educational and skills assessment, job related instruction in math, communication and science, work readiness training, skills training in electronics and electro-mechanics (for participants with the interest and aptitude), child care and other supportive services, job placement and follow-up. With one year of the program behind us, WOW has much to share that is relevant to the concerns of this Committee:

> 1. In its program, which serves women in the Washington, D.C. metropolitan area, WOW served 271 women int he first program year. The women served fell into two groupings--women between the ages of 25 and 45 with considerable work experience at low wage levels who had become unemployed during the recession, had skills, but had faced _multiple_ unsuccessful job interviews and were unable to find paid work; and younger women with no paid work experience, inadequate educational skills, and little awareness of how to plan for their own economic futures. Among all of the women served, educational skill levels bore little or no relationship to educational attainment. One quarter of the women tested were found to have less than fifth grade reading and math skills levels, although the majority had completed high school.
>
> 2. The need for supportive services in order to participate in WOW's training programs was a key finding. WOW staff encountered significant problems in meeting trainee needs because of diminished human services--especially subsidized childcare, housing, transportation, and public assistance-related services (i.e., medical assistance,

food stamps, legal services, etc.).

Although the project provides information and referral to subsidized child care and some scholarship aid for child care, it does not pay stipends. Consequently, more than 10% of those who enrolled in the program needed part-time jobs in order to participate. However, the part-time employment frequently threatened their continued participation in SPEED because the training is intensive and often could not be coordinated with work schedules. The most common reasons for program non-completion relate to health, financial, food, housing, and transportation crises, which could not be handled on top of a rigorous training schedule.

> 3. When the trainees _were_ able to cope with family crises and find needed support services, they were able to complete the program and gain paid employment averaging $6.00 per hour at job entry. Some enrolled in more extensive training. A list of jobs and entry wages acquired in the first two quarters of the program is appended.
>
> 4. All of WOW's training examines the advantages and disadvantages of nontraditional employment, job trends in the 1980's, and assists trainees in making economically viable occupational choices. The most common finding of staff working with the women enrolled in these programs was a deep need for individualized assistance.
>
> 5. WOW's child care project (funded by the Women's Bureau of the U.S. Department of Labor to coordinate with the Rockefeller project) provides child care information, referral, counseling, consumer education and parenting skills workshops, and employer outreach. It identified critical gaps in child care services for the women served in the project. First, WOW documented a significant reduction in

publicly supported child care openings as a result of federal budget-cutting. For more than 30% of the participants seen, only time-consuming personal advocacy and WOW subsidies made it possible for women to attend training who were otherwise unable to find child care. In addition, WOW found immense service gaps: very limited care for infants, for children who need care after school, for short-term or emergency care, for subsidized care that would extend during a trainee's job hunt, and for care available in areas accessible through affordable transportation. To intervene in this situation, WOW is developing an information and referral system on all local child care options, so that trainees can make the best child care arrangements possible without months of trying to ascertain what is available. The overall finding of the project, however, is that the current system is labyrinthian and grossly inadequate. It is currently a public/private partnership, but more public and private support is needed if we wish single heads of household to make the transition to work.

6. The Rockefeller Foundation grant award stipulates that the six grantees must match the annual grant dollar-for-dollar or with inking services which enhance the program from local government or community groups. This matching requirement has effectively leveraged significant public/private interest and partnerships in this program. It is clear from our own experience with SPEED that there is significant interest in addressing the needs of women who must make a transition to paid work. It is also clear that the needs are complex and require significant resources to be addressed effectively. A list of the participants investing in the WOW project to meet these needs in the D.C. area is attached. Yet, WOW has been able to serve less than 20% of the women who have contacted the program for assistance. Most are unable to solve the family income and support service problems which keep them isolated, in constant crisis, and on public assistance.

CONCLUSION

With the barriers and principles outlined in the beginning of my testimony and the findings of WOW's SPEED Program in mind, I'd like to close the formal portion of my testimony and respond directly to any questions the Committee might have. Again, I commend you for the seriousness and thoughtfulness with which you have approached this complex issue, and I thank you for the opportunity you have given me to speak with you today. I offer the resources of myself, my staff, and WOW as you continue in your efforts to clarify and define policy issues which secure economic self-sufficiency for women workers.

PARTICIPANTS	WAGE (per hour)
Circuit City Office Manager	$ 4.25
D.C. General Hospital Electro-Mechanics Helper	10.00
Turner Construction Co. Carpenter Helper	11.79
Judd & Detweiler File Room Clerk	4.75
System Planning Corporation Electronic Assembler	5.25
System Planning Corporation Electronic Assembler	5.25
System Planning Corporation Electronic Assembler	5.25
Sears Roebuck, and Co. Service Technician	5.25
Local #74 Laborers Laborer	7.00
Raytheon Service Co. Invoice Verifier	7.08
D.C. Government (Public Works Dept.) Laborer	7.59
Pitney Bowes Meter Reader	5.00
Holy Cross Hospital Sterilization Processing Technician	$ 6.19
Army Times Publishing Co. Phone Clerk	4.50
Hecht's Department Store Authorizer	3.65
Hecht's Silver Spring Switchboard Operator	3.45

Several have enrolled in further educational programs such as G.E.D., electro-

MATCHING FUNDS REPORT

September 1982 - August 1983

In developing the matching funds for the first year of the SPEED Project WOW adopted a diversified approach, seeking both actual dollars and in-kind services to enhance the project. WOW contacted both local and national foundations, several local governmental agencies, and community organizations and applied to the Women's Bureau of the U.S. Department of Labor for contract monies. Following is a matching funds report which is an inclusive list summarizing all of our contacts and the successful results. WOW would like to make note of the fact that support was successfully elicited from all our contacts.

Item	Amounts Committed	Amounts Expended*
D.C. Office of Employment Services—On-the-Job Training Funds	$75,000**	0
D.C. Department of Health and Human Services, Family Services Administration—subsidized child care for participants	44,370	18,250
Family and Child Services—subsidized child care for participants who are unable to obtain publicly subsidized child care - begining February 1983	5,000	500
U. S. Department of Labor, Women's Bureau—Child Care Project - begining October 1982	100,000	91,667
D.C. Public Schools—assessment and testing services for enrollees	20,000	18,087
Prince Georges County, Maryland—transportation subsidies for participants - $30/week begining April 1983	31,680	10,080
R.S.V.P. (Retired Senior Volunteers Program)—volunteers to provide direct services to participants	26,000	14,145

Item	Amounts Funded	Amounts Expended
Public Welfare Foundation—grant to fund Youth Counselor/ Outreach person and other costs, begining May 1983	$30,000	$12,500
Eugene and Agnes E. Meyer Foundation—Half-time Communications Instructor and other costs to provide additional core staff, begining May 1983	15,000	6,250
D.C. Department of Employment Services—Senior Aide to provide Employment Resources support for participants	4,355	3,260
Phillip Graham Fund—computer hardware and software purchase, awarded January 1983	10,000	10,000
Coopers & Lybrand, C.P.A.—pro bono services of Manager, Office Information Systems Group for training and installation of databases for tracking of participant progress	2,000	1,920
Riggs National Bank—contribution of meeting room and facilities for meeting of area chief executives to develop employer-sponsored child care alternatives	100	100
TOTAL FUNDS	$363,505	$176,679

Representative Snowe. Thank you very much. I appreciate your willingness to testify here today and to go through your testimony and share with us your experiences and involvement, and what WOW has done for placing women in employment and also providing them with training so that they do have the ability to break into the work force.

I was very much interested in your SPEED Program. How long is this program funded for? Is it specifically funded by the Rockefeller Foundation?

Ms. Madison. A basic grant of approximately $250,000 is awarded to the program annually and the program is to last for 5 years. There are six programs around the country and WOW is the one that is serving the Washington metropolitan area. But in addition to that basic grant we are to match the grant dollar for dollar with either inkind services or with dollar matches from corporations or other foundations.

As you can see, we are expected to serve 250 women a year and to provide child care in addition to all of the basic services that I outlined in my testimony.

Representative Snowe. How long is the training program for each individual?

Ms. Madison. There are two actual aspects of training that women can go into. They go through a very extensive assessment when they first come into the program to determine what their capabilities are, what their educational levels are. There is no criteria or assessment before they come into the program.

So once they come into the program we find out where they are; and for those who have the interest and aptitude they go into the 20-week electromechanics training program, which is a 6 hour a day training, 5 days a week for the 20-week period.

The other group is women who do not have the interest in electromechanics, who do not have the abilities to go into it. They go into what is called our basic educational skills training, which is the BEST Program. There they really focus very much on the job market. What are the jobs? There is a lot of work readiness. There are communications and math training to augment much of their training.

There is a very heavy emphasis on having them set goals and establish where they want to go. For those who want to go immediately into jobs, we help them find jobs; but for those who really have other areas that they want to go into we help them get into academic or votech training for those careers that they are interested in.

One of the matches to the Rockefeller grant is from the District of Columbia which allows us to grant scholarship aid to the women who want to go into a 1-year certificate course.

Representative Snowe. Do you discourage for the most part—it probably depends on what is available in the marketplace—women from seeking the skills for traditional female jobs, or what do you do?

Since we are trying to make this transition, I just wonder if, in fact, you say to women, "Well, don't bother to learn this. You're going to fall into your stereotypical job for women and perhaps you should learn something else that would serve you well in the long term."

Ms. **Madison**. We recognize the fact that women across the board have different interests in what they want to do. What we try to do is to prepare them so that they understand what the options are, what the career advancement potential is, what the salary is, where they go with it, what kind of fringe benefits they can have.

But still you have many women who want to pursue these areas. What we try to do is get them into further training that lets them enter the traditional areas further up the line rather then in entry level jobs.

So we are not trying to discourage them. We are trying to give the broad view of the picture and trying to help them understand what their needs are going to be down the line and why they need to really look at these careers very critically.

They have to make their own decisions about it.

Representative **Snowe**. I see. You mentioned the fact that some of the participants in the training program under SPEED have to work part time. Do most work part time? And can you assist them through your support services fund?

Ms. **Madison**. We have tried to assist those who absolutely need part-time work. What we have spent more time in trying to do is to get the participants into the WIN Program and other programs in the various jurisdictions, because most of these women are on public assistance of some kind, and need support services.

Although the program does not require that they be on public assistance—it is really just for single minority mothers—most of these women qualify for welfare or public assistance or food stamps of some kind. Because they are eligible for it, they usually are eligible for some kind of stipend support from the jurisdictions.

What we have tried to do is to work with the jurisdictions to have them declare our program eligible for this kind of support and to get the women into the support so that it supports them through the course of the program. It is very difficult for women to work at night because our program is all day long; but then to be in our program during the day and then work part-time jobs at night and take care of families is very difficult.

So we really do discourage the part-time employment; but if they absolutely need it we have helped them. We have had a woman who we do not even know when she slept because she did work all night and came into our program, and completed the program. But it is very unfair to expect that of anyone who is going through a program——

Representative **Snowe**. Absolutely.

Ms. **Madison** [continuing]. And to expect them to succeed and go into well paid jobs or any kind of employment gives that experience.

Representative **Snowe**. What is the cooperation among businesses that you have worked with? Are some more interested than others in working with you?

Ms. **Madison**. Well, over the past 8 or 9 years, we have developed a very strong relationship with industry, because industry has helped us develop the model for our electromechanics training program. So they have helped us in devising the curriculum, in providing some of the instructors initially although we hire all of our instructors now, in coming in and talking to the women about the jobs that are available in the job market, in recruiting other employers to hire the women and in hiring them themselves.

So we do have a very close relationship with industry. There is no special relationship that is for this program, but we are placing women in many jobs where we have worked with the employer either on an industry advisory board or where the employer hired other graduates of our previous programs.

Representative **Snowe**. There have been several bills introduced in the Congress of various natures. One is to set up individual training accounts similar to IRA's to help individuals who are going to lose their jobs because of lack of skills or because of the change to a more technological era in many of the industries throughout this country.

Or another example of legislation has been the use of IRA's up to $4,000 a year that would be able to be withdrawn from IRA's to assist an individual who will be unemployed shortly because they need to be retrained or develop new skills, or the industry is undergoing major structural changes because they are moving into a more computerized area.

What would you think are the benefits or the disadvantages of such an approach? And do you think, based on your own experience with WOW, as to whether or not this would be beneficial in helping—and I see a lot of women in these categories, too—in making the shift, in developing more knowledge and use of computers and the whole idea of computer literacy, which is a problem that women will be facing in this country as well as men for that matter.

Do you think that that would be helpful?

Ms. **Madison**. Well, I am not as familiar with that legislation as I should be, but let me just clarify with you. You are talking about the individual setting up the account in anticipation of a future——

Representative **Snowe**. Yes; and I think it would be employer/employee. That is one piece of legislation. The other is allowing the use of——

Let us say an individual has established an IRA, individual retirement account, they could be able to withdraw up to $4,000 a year without penalty to enable them to support their training expenses because they are going to lose their jobs and they need to be retrained or develop new skills.

Ms. **Madison**. It is so hard. It is a hard question to answer because what I am seeing are women who, first of all, would not even have the resources or the jobs that pay to begin to set aside the IRA's in anticipation of this.

It really says that they would have to be thinking very strongly in their own interests for several years in order to put aside enough to do this. Many of them are not even in the kinds of jobs that would enable them to work it out with an employer, that there would be a mutual contribution.

I think it is something that is worthwhile exploring. It is probably more of use to men at this point than it would be to the majority of women who, for the most part earn less than $10,000 per year. For those who are paying child care and other expenses, such earnings put them right under the poverty level.

So it would be very difficult for women in that particular category to be able to take that money out and put it aside. They need every bit of the money that they make to live on.

Representative **Snowe**. What is WOW doing in the area of developing women's computer skills? I mean, do you have any definitive program?

Ms. **Madison**. We are very interested in the area.

Representative **Snowe**. I know you have a publication concerning that.

Ms. **Madison**. First of all, we have been funded by CBS, Inc., for the past year to look at the whole area of high tech for women. We have explored the issues around the training and retraining for high tech bringing in the whole discussion about the retraining and training of women into the forums that have been discussing the issue but simply ignoring the fact that women are going to be one-half of the job market of the future.

Also, we have been identifying what kinds of jobs are going to actually become available in high tech.

Second, as an organization, we cannot continue in training without looking at what are the available jobs and beginning to train for them; and we are attempting at this point to work with one of the computer manufacturers to begin to work with computer literacy asking them for a donation of equipment so that we can use it in our course.

We have already begun to do some of the computerizing of our own organization and have been able to raise the level of computer literacy eightfold. We have really moved from a zero base and we know the importance of it.

We are trying very hard to develop high tech literacy. In our most recent application for training under the Job Training Partnership Act we will be training in microcomputer principles.

Representative **Snowe**. I thank you very much for being here today and for your willingness to testify, and providing us with some information on WOW which I think is doing a great job.

Ms. **Madison**. Well, thank you very much for inviting us.

Representative **Snowe**. So I thank you. I think it is excellent.

Well, this concludes the second in a series of hearings on the role of women in the labor force. Next week we will have a third hearing that will concern sex-based wage discrimination and pay equity issues as they relate to women in the work force.

I will keep the record open for 2 weeks to allow other members of the committee to insert their statements.

Again, I want to thank everybody for being here today and those who testified for providing some very, I think, incisive testimony.

The committee is adjourned. Thank you.

[Whereupon, at 12:30 p.m., the committee adjourned, subject to the call of the Chair.]

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